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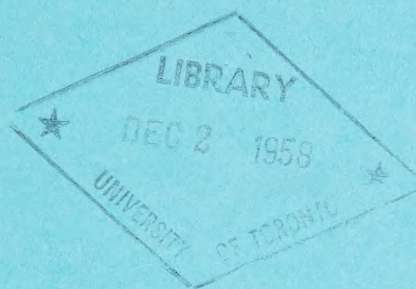
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ANNUAL REPORT  
THE AGRICULTURAL STABILIZATION BOARD  
1957 - 58







ANNUAL REPORT 1957-58

THE AGRICULTURAL STABILIZATION BOARD

THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT

TO

THE MINISTER OF AGRICULTURE

FOR THE YEAR

1957 - 58

Board Members:

- L. W. Pearsall, Chairman
- A. H. Turner, Vice-Chairman
- S. J. Chagnon, Member

Shell Eggs,	1956	\$ 10,000.00
	1957	1,100,000.00
	1958	378,000.00
	1957-58	498,000.00
	58	423,000.00
	57	20,000.00
	1959	90,000.00
	1958	1,000,000.00
	1957	1,000,000.00
Dry Skimmed Milk	1957-58	1,000,000.00





THE AGRICULTURAL STABILIZATION BOARD

The Agricultural Stabilization Act was assented to on January 31, 1958. In it provision was made for the new Act to replace and succeed the Agricultural Prices Support Act. The Agricultural Stabilization Act was proclaimed effective on March 3, 1958. All programs which were effective under the Agricultural Prices Support Act were continued through March 31, 1958. The first changes in support prices under the new Act came into effect on April 1, 1958.

During the year 1957-58 the Board carried out, or was in the process of carrying out at the end of March 1958, support programs relating to shell eggs, fowl, turkeys, creamery butter, dry skimmed milk, other concentrated milk products, potatoes, sugar beets and hogs.

On March 31, 1958, the Board held inventories of 1956 and 1957 butter, frozen whole egg and egg powder from 1957 eggs, shell eggs purchased in 1958, frozen fowl purchased in 1957-58 and dry skimmed milk purchased in 1957-58. As indicated in the tabular summary below, the total net cost from the start of operations in 1946 to March 31, 1958, was \$100,073,260.26. Of this total about \$70 million was attributable to losses on the extensive buying and selling programs undertaken for hogs and cattle as an emergency measure following the embargo on the shipment of livestock and livestock products to the United States during the foot-and-mouth disease outbreak from February 25, 1952 to March 1953.

The net cost of operations for the year ended March 31, 1958, including \$885,340.10 which was not recouped by previous Votes of Parliament, was \$5,988,543.35. The distribution of this cost was as follows:

Shell Eggs,	1956	\$ 8,889.30
	1957	1,101,283.50
	1958	373,027.18
Fowl,	1957-58	154,081.00
Potatoes,	1956	449,279.16
	1957	30,955.29
	1955	90,209.45
Butter,	1956	2,683,732.68
	1957	2,721.48
	1957-58	1,094,364.31

In addition, it is known that there will be further costs relating to 1957 and 1958 programs for eggs and fowl, the program for 1957 potatoes, the programs for 1956 and 1957 butter, the program for 1957-58 dry skimmed milk. These programs had not been completed, but the losses involved in disposing of 1957 egg products and 1957-58 dry skimmed milk in inventory are likely to be relatively heavy.





The following products have been assisted since the Agricultural Prices Support Act became operative in 1946 and the net cost in the case of programs completed according to production year, with a summary total for the years up to 1954, was as follows up to March 31, 1958:

<u>PRODUCTS</u>	<u>PRODUCTION YEAR</u>	<u>NET COST OF PROGRAM</u>
1. Potatoes	1946, 1948, 1950	\$ 2,036,175.61
	1955	4,830.77
	1956	449,279.16
	1957	30,955.29
		\$ 2,521,240.83
2. Apples	1947, 1948, 1949, 1954	6,708,164.24
	1955	181,738.21
		6,889,902.45
3. Dried White Beans	1948	194,419.88
4. Extracted Honey	1948	177,066.42
5. Dry Skimmed Milk	1949, 1953	677,404.02
	1957-58	1,094,364.31
		1,771,768.33
6. Other concentrated milk products	1957-58	nil
7. Cheddar Cheese	1949, 1951, 1952, 1953	155,348.82
8. Creamery Butter	1949, 1950, 1951	
	1952, 1953, 1954	8,651,002.13
	1955	4,248,756.91
	1956	3,063,719.11
	1957	2,721.48
		15,966,199.63
9. Shell Eggs	1950, 1951, 1952	
	1953, 1954	666,606.16
	1955	61,516.83
	1956	8,889.30
	1957	1,101,283.50
	1958	373,027.18
		2,211,322.97
10. Fowl	1957-58	154,081.00
11. Turkeys	1957-58	nil
12. Hogs	1952	36,673,894.07
	other years 1951-1957	nil
		36,673,894.07
13. Cattle	1952-53	33,358,015.86
14. Sugar beets	1957	nil
TOTAL		\$100,073,260.26

For purposes of reference, there has been a transfer of an error of \$55,951.36 which was charged to 1956 butter in the previous report and should have been charged to 1954 butter.



Inventories as at March 31, 1958, were as follows:

Dry Skimmed Milk (mostly spray process)	27,719,717 pounds
First Grade Creamery Butter - 1956 production	8,690,570 pounds
- 1957 production	16,423,501 pounds
Frozen whole egg - 1957 production	8,539,398 pounds
Whole egg powder - 1957 production	58,902 pounds
Shell Eggs - 1958 production	88,754 cases
Fowl - 1957-58 production	6,612,112 pounds

The amount of the revolving fund used as working capital in each fiscal year since the start of operations under the Agricultural Prices Support Act and reported in the Public Accounts has been as follows:

for year ended

March 31, 1947	\$ 109,395.
March 31, 1948	1,061,353.
March 31, 1949	3,473,295.
March 31, 1950	39,515,860.
March 31, 1951	36,902,816.
March 31, 1952	8,356,718.
March 31, 1953	164,419,331.
March 31, 1954	93,849,104.
March 31, 1955	66,223,281.
March 31, 1956	70,869,635.
March 31, 1957	74,685,883.
March 31, 1958	49,223,321. (Preliminary)

In addition to the above-mentioned products which were given support, the Board, with the assistance of its new Advisory Committee in March 1958, gave consideration to the support of a wide variety of products including the nine commodities which were mandatory under the Agricultural Stabilization Act. No additional action had been taken prior to March 31, 1958.

Details of the commodity programs are given in the following sections.

### Shell Eggs

As at March 31, 1957, the Board held 150,488 cases (4,514,640 dozen) of shell eggs for its own account and 59,094 cases (1,772,820 dozen) were owned by the trade and stored to the Board's specifications for purposes of future purchase if necessary.





On April 11, 1957, the Board was authorized to offer to buy Grade B eggs as well as Grade A eggs on the basis of 31 cents per dozen graded and packed in accordance with Board specifications.

The Board purchased a total of 618,743 cases (18,562,290 dozen), including those held in accordance with its specifications. Of this total 227,637 cases were processed making 8,878,302 pounds of frozen whole egg and 58,902 pounds of egg powder. Of the balance about 200,000 cases were exported and the rest were sold in the domestic market to breakers and processors or for resale as shell eggs.

The cost of this program up to March 31, 1958, was \$1,101,283.50 and there was still 8,539,398 pounds of frozen whole egg and 58,902 pounds of egg powder on hand.

On December 23, 1957, the Board was authorized to extend the price support program for 1958 eggs on the same basis of 38 cents per dozen for Grade A Large which had been in effect for 1957.

Up to March 31, 1958, the Board had purchased 251,203 cases (7,536,090 dozen) of eggs under this program and had resold 162,449 cases (4,873,470 dozen), most of which were sold in the export market. The cost of this program as included in the recoup amounted to \$373,027.18.

Shell egg support became mandatory at 80 per cent of the 10-year average under the new Agricultural Stabilization Act, but the effective date for starting the new program was not established until after March 31.

In addition to the above two programs, a small further loss was incurred with respect to 1956 eggs totalling \$8,889.30.

#### Fowl

On April 15, 1957, the Board was authorized to buy fowl marketed for slaughter between August 1 and November 30, 1957. The prescribed price as authorized was equivalent to 23 cents per pound, live weight basis at Toronto for No. 1 fowl 5 pounds and over. On July 16, 1957, the Board was authorized to advance the date of the offer to purchase from August 1 to July 17. As a corollary to the price support program for fowl, this product was also placed under import control on July 17, 1957.

On November 28, 1957, the Board was authorized to extend this offer to purchase through March 31, 1958.





The Board purchased 8,953,240 pounds of fowl of various weights in eviscerated and dressed form and by March 31, 1958, had resold 2,341,128 pounds in the domestic market at a loss of \$154,081. No provision was made for the continuance of price support on fowl after March 31, 1958.

### Turkeys

On July 17, 1957, the Board was authorized to offer to purchase turkeys on the basis of a price equivalent to 25 cents per pound, live weight delivered at Toronto and Montreal, for birds weighing at least 10 pounds but under 20 pounds.

No purchases had been made under this program up to March 31, 1958. Import controls on turkeys were put into effect on July 17, 1957, at the time the price support came into effect.

### Hogs

A support price for hogs equivalent to 23 cents per pound, warm dressed weight from Grade A carcasses, basis Toronto and Montreal, with appropriate differentials for other principal public stockyards throughout Canada, was continued throughout the year. No purchases were made under this program.

### Sugar Beets

On December 13, 1957, the Board was authorized to prescribe a price equivalent to \$13 per ton for sugar beets delivered to factory and having 17 per cent sugar in beet, this price to be prescribed for each producing area in Canada. The Board was further authorized to make up any difference between the average final price at which sugar beets were sold by producers in each of the four main producing areas and the prescribed price for the said sugar beets. Although final returns were not complete in all provinces at March 31, it was known that there would likely be no government liability under this program.

### Potatoes

On April 15, 1957, the Board was authorized to provide payments to growers on the 1956 crop of potatoes delivered to starch factories for processing, payments to be made on the quantity of potatoes which graded Canada No. 1, including up to 12 per cent Canada No. 1 Small. Producers were to receive not less than 3/4 cent per pound to be increased by 1/4 cent per pound if the price to producers for sale to the consumer market outlets



remained higher than 3/4 cent per pound during the period through June 15, 1957.

The Board negotiated with the starch factories and received a return of from 30 to 50 cents per barrel for the potatoes delivered, depending on the month of delivery. There were 355,361 barrels delivered under the program and the total cost was \$449,279.16. The original termination date for this program was set by the Board to June 30, but this was extended through July 20, 1957.

On January 31, 1958, the Board was authorized to provide payments to growers on 1957 crop potatoes delivered to starch plants for processing. Payments were to be made on the quantity of potatoes delivered which graded Canada No. 1, including up to 12 per cent Canada No. 1 Small. The Governor in Council prescribed a price which the producers were to receive of \$1.35 per barrel of not less than 165 pounds, which prescribed price might be increased to \$1.65 per barrel for potatoes delivered on or before February 28, \$1.55 for potatoes delivered on or before April 30 and \$1.45 for potatoes delivered on or after May 1, 1958, if the Board consider that the average price to producers for sale to consumer market outlets, other than starch, remained higher than \$1.35 per barrel during the period up to June 1, 1958.

Up to March 31, 1958, 36,402 barrels were delivered under this program and the total payment to that date was \$30,955.29.

### Creamery Butter

On March 31, 1957, inventories of 1956 make butter totalled 29,638,010 pounds. During 1957 the Board acquired a further 16,650,907 pounds. By March 31, 1958, 21,104,846 pounds of this butter had been sold leaving an inventory of 25,184,071 pounds of butter on hand at that date.

The Board in selling this butter offered on the basis of 58 cents per pound or at cost without including carrying charges, through June but indicated in early August it would sell during the coming winter months on the basis of 63 cents per pound.

On August 31, 1957, the Board discontinued the rebate of 21 cents per pound which had been granted to non-profit residential institutions since January 1955. During this period about 2,000 institutions had participated and the cost to the Government was approximately \$3,600,000.

A small quantity of continuous process make butter was sold for export in the form of whole milk powder.





The total cost included in the estimates for 1956 butter amounted to \$2,683,732.68. This amount includes approximately \$844,000 not charged to the previous year's recoup. The net cost for the small quantity of 1957 butter sold was \$2,721.48. In addition, a further loss which had not been recouped for 1955 production amounting to \$90,209.45 is included in the recoup.

### Dry Skimmed Milk

On March 19, 1957, the Board was authorized to offer to purchase Canada First Grade dry skimmed milk on the basis of 17 cents per pound spray process and 14 cents per pound roller process, f.o.b. storage at Moncton, Montreal, Toronto, Winnipeg, Regina, Edmonton and Vancouver. As a corollary of the price support program, the Agricultural Products Board was authorized on April 15, 1957, to negotiate contracts with exporting countries for supplies of this product. New Zealand signed a contract to deliver 1,000 long tons at agreed prices and undertook not to sell dry skimmed milk to any Canadian buyer other than the Agricultural Products Board until after March 31, 1958. As no other contracts of this nature were completed and difficulties in relation to imports from other countries appeared likely to undermine price support operations, import controls were established on September 23, 1957.

The quantity of dry skimmed milk purchased by the Board up to March 31, 1958, amounted to 37,608,870 pounds, of which about 10 million pounds were roller process. The Board authorized the resale of dry skimmed milk at cost, not including carrying charges, in the Canadian market and at a price of 9.05 cents per pound for spray process and 7.55 cents per pound for roller process to approved export markets. In addition the Board authorized the sale of a quantity of roller process product as feed to approved export markets at a price of slightly more than 4 cents per pound, f.a.s. Canadian seaboard. In addition to the above, the Government authorized the Board to donate up to 30 million pounds to approved international relief agencies for which they would receive payment on the basis of 7 cents per pound out of an appropriation to be obtained through the Department of External affairs.

Up to March 31, 1958, 9,889,153 pounds had been sold or disposed of on the above basis and the loss included in the recoup amounts to \$1,094,364.31.

### Other Concentrated Milk Products

On March 19, 1957, the Board was authorized to offer to purchase evaporated milk, whole milk powder and condensed milk, if it seem necessary. No purchases were made up to March 31, 1958.





## General

The Board met on 51 occasions during the year and in addition met several times to receive delegations from industry groups either to consider proposals for price support or to discuss buying and selling policies in connection with products in which the Board was interested.

Throughout its operations the Board, as far as possible, has anticipated probable needs by studying, with the assistance of the Economics Division of the Department of Agriculture, situations that would appear likely to lead to requests for action. When actual purchase and selling operations are undertaken the commodity divisions of the Department of Agriculture and the Agricultural Products Board are active agents of the Board in carrying out these purchase and sales programs.

The General Advisory Committee to the Board, under the chairmanship of H. H. Hannam, President of the Canadian Federation of Agriculture, held a regular fall meeting. The Committee covered a wide field in its discussions and at the conclusion of the meeting submitted a limited number of carefully considered recommendations.

On February 25, 1958, it was announced that the new Agricultural Stabilization Board would consist of the following members, L. W. Pearsall, Chairman, A. H. Turner, Vice-Chairman and S. J. Chagnon, Member. The new Advisory Committee to the Board, as provided under the Act, was appointed at the same time as the Act was proclaimed and met for its first time on March 4 and 5. This committee had referred to it the various problems relating to the 9 mandatory commodities as well as a number of other commodities being considered for support under the new Act.

## Administration

The administration costs of the Board during the year 1957-58 amounted to \$64,659.54 made up as follows:

Salaries	\$ 50,553.98
Travelling Expenses	11,268.82
Telephones and Telegrams	1,537.28
Office stationery, supplies and equipment	779.18
Sundries	520.28

TOTAL \$64,659.54



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THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT

TO

THE MINISTER OF AGRICULTURE

FOR THE YEAR

1958 - 59

Board Members:

L. W. Pearsall, Chairman

A. H. Turner, Vice-Chairman

S. J. Chagnon, Member



## ANNUAL REPORT 1958-59

### THE AGRICULTURAL STABILIZATION BOARD

The Agricultural Stabilization Act was assented to on January 31, 1958, and proclaimed effective on March 3, 1958.

In it provision was made to replace and succeed the Agricultural Prices Support Act. The first changes in support prices under the Agricultural Stabilization Act came into effect April 1, 1958. In addition to the nine mandatory commodities, namely butter, cheddar cheese, eggs, hogs, cattle, sheep, and wheat, oats and barley (these three grains when grown outside the area designated by the Canadian Wheat Board Act), price support was provided by the Agricultural Stabilization Board during the fiscal year 1958-59 for the following non-mandatory commodities: dry skimmed milk, soybeans, sugar beets, British Columbia tomatoes for processing, asparagus, British Columbia raspberries for processing, peaches for processing, apricots, British Columbia apples, Prince Edward Island potatoes, and extracted honey. Price supports in effect for turkeys and New Brunswick potatoes under the Agricultural Prices Support Board were continued.

The total net cost from the start of operations of the Agricultural Prices Support Board in 1946 to March 31, 1958 was \$100,073,260.26. This cost was divided among various commodities as follows:

<u>PRODUCTS</u>	<u>NET COST OF PROGRAM</u>
1. Potatoes	\$ 2,521,240.83
2. Apples	6,889,902.45
3. Dried White Beans	194,419.88
4. Extracted Honey	177,066.42
5. Dry Skimmed Milk	1,771,768.33
6. Cheddar Cheese	155,348.82
7. Creamery Butter	15,966,199.63
8. Shell Eggs	2,211,322.97
9. Fowl	154,081.00
10. Hogs	36,673,894.07
11. Cattle	33,358,015.86
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TOTAL	\$ 100,073,260.26





The following tabular summary indicates the actual dollar value of operations during the year with the calculation of the net cost of each program based on production year.

Product	: Year :	: Inventory : : Value : : March 31 : : 1958 :	: Purchases & : : Costs added : : during year :	: Value of : : Sales : : during year :	: Inventory : : Value : : March 31 : : 1959 :	: Net Cost : : or : : Payment : : during year :
Creamery Butter	1956	5,311,507	208,488	5,486,048	nil	33,947
	1957	9,850,098	477,307	10,521,966	nil	- 194,561
	1958		46,829,589	13,934,656	32,391,872	503,061
Cheddar Cheese	1958	nil	5,364,159	4,640,333	nil	723,826
Shell Eggs	1957	2,910,639	83,756	1,122,275	2,372	1,869,748
	1958	1,073,152	1,337,620	1,949,229	nil	461,543
	1959	nil	4,924,121	1,710,498	2,119,166	1,094,457
Hogs	1958-59	nil	21,504,761	533,130	20,836,220	135,411
Lamb	1958	nil	644,142	362,966	nil	281,176
Wool	1958	nil	1,541,294	nil	nil	1,541,294
Dry Skimmed Milk	1957-58	4,757,662	1,334,620	2,076,283	nil	4,015,999
	1958-59	nil	15,485,078	2,608,002	9,936,132	2,940,944
Fowl	1957	2,560,454	72,992	1,947,166	262,913	423,367
Tomatoes	1958	nil	744,084	352,492	366,951	51,641
Raspberries	1958	nil	610,631	9,520	600,682	429
N.B. Potatoes	1957	nil	244,450	nil	nil	244,450
P.E.I. Potatoes	1957	nil	122,932	nil	nil	122,932
B.C. Apples	1957	nil	768,415	nil	nil	768,415
Asparagus	1958	nil	106,021	nil	nil	106,021
TOTALS		26,463,512	102,404,460	47,227,564	66,516,308	15,124,100

In addition to the costs shown here it is likely that there will be further costs to the Government in the disposal of the inventories held at March 31, 1959.

Representations were made by producers and others with respect to a number of other products for assistance during the year, but no additional action was taken prior to March 31, 1959.



Details of the commodity programs are given in the following sections.

Creamery Butter -- The Board was authorized to support Canada First Grade creamery butter from May 1, 1958, for a period of 12 months on the basis of 64 cents a pound Montreal. This price was approximately 107 per cent of the 10-year average base price of 60 cents a pound.

During the year the Board purchased 71,466,653 pounds. It also sold the remainder of the 1956 and 1957 productions as well as 21,855,379 pounds of the 1958 production.

The additional net cost incurred during the fiscal year was \$33,947 for the 1956 production, a profit of \$194,561 for the 1957 production and a cost of \$503,061 on sales of 1958 production. The total net cost chargeable to butter based on a selling price of 64 cents a pound delivered in Eastern Canada was \$342,447.

Cheddar Cheese -- The Board was authorized to support Canada First Grade cheddar cheese on the basis of 33-1/2 cents a pound delivered Montreal for cheese produced in Quebec and 34 cents a pound delivered at approved warehouse points for cheese produced in Ontario. These prescribed prices were equivalent to approximately 110 per cent of the 10-year average base price and came into effect May 1, 1958, for a period of 12 months.

The Board purchased 15,524,068 pounds and resold all of this cheese during the year at a net cost of \$723,826.

Shell Eggs -- On May 5, 1958, the Board was authorized to offer to purchase shell eggs on the basis of 44 cents a dozen for Grade A Large, graded and packed in new wooden cases, at Montreal with appropriate differentials for other markets throughout Canada. This price represented an increase in all markets, except those in Saskatchewan and Alberta, from what had been authorized up until May 5. This support price was approximately 85 per cent of the 10-year average base price.

During the calendar year 1958 the Board purchased 352,631 cases of shell eggs, of which about 90,000 cases were purchased after April 1, 1958, and about 50,000 cases after May 5. Up to March 31, 1959, in the calendar year 1959 the Board had purchased 386,181 cases of shell eggs. During the year the Board sold the remainder of the 1957 eggs which had been purchased and processed into frozen whole egg and whole-egg powder with the exception





of a small inventory of less than 10,000 pounds for which sales arrangements were made but not completed. The additional cost for 1957 eggs was \$1,869,748. It also sold the balance of the 1958 eggs purchased at a cost of \$461,543. By March 31, 1959, it had sold 219,196 cases of the 1959 production at a net cost of \$1,094,457. The total net cost of operations in relation to shell eggs in the fiscal year was \$3,425,748.

Hogs -- The Board was authorized on April 1, 1958, to offer to purchase hogs at a price equivalent to \$25 a hundredweight, warm dressed weight from Grade A carcasses, basis Toronto and Montreal, with appropriate differentials for other principal public stockyards throughout Canada. This was approximately 84 per cent of the 10-year average base price.

As at March 31, 1959, the Board had purchased 55,981,193 pounds of frozen cuts and resold 1,437,632 pounds of this product at a net cost of \$135,411.

Cattle -- On April 1, 1958, the Board offered to support 'good' steers on the basis of \$17.50 a hundredweight at Toronto, with appropriate prices for other markets throughout Canada. This was the mandatory support of 80 per cent of the 10-year average base price.

No purchases were made up to March 31, 1959.

Lambs -- On April 1, 1958, the Board offered to purchase 'good' lambs on the basis of \$19.55 a hundredweight at Toronto, with appropriate prices for other markets throughout Canada. This was the mandatory support of 80 per cent of the 10-year average base price.

The Board purchased 1,337,774 pounds of lamb and resold this product in the domestic market at a net cost of \$281,176.

Wool -- On April 1, 1958, the Board was authorized to prescribe a price of 60 cents a pound for wool grading Western Range, Choice, 58/60's, 1/2 blood staple, f.o.b. Toronto, which is approximately 110 per cent of the 10-year average base price.

It was calculated that the average return for Western Range, Choice, 58/60's, 1/2 blood staple, was between 31 and 32 cents a pound thus making a payment of 28 cents per pound necessary in connection with this program. At March 31, 1959, the Board had paid \$1,541,294.



Wheat -- On July 1, 1958, the Board offered to support the price of Ontario wheat delivered for milling on the basis of \$1.42 a bushel, on track, for No. 2 C.E. or better quality.

Arrangements were made with the Ontario Wheat Producers' Marketing Board that the Agricultural Stabilization Board would make up any deficiency between the average market price of wheat during the 12 months from July 1, 1958, and the \$1.42 a bushel, on track, for No. 2 C.E. or better quality, when wheat was sold for milling purposes.

Since the program period was not completed at March 31, 1959, there was no cost to the Board up to that time. Indications were that the cost, if any, would be relatively small since all the wheat for domestic use was sold at a higher figure than the \$1.42 and it was only the part of the wheat sold for export use which was sold below the \$1.42 support price.

Oats -- On July 1, 1958, the Board offered to support Ontario oats on the basis of 58 cents a bushel, on track, for No. 2 C.E. or better quality.

No purchases were made under this program up to March 31, 1959.

Barley -- On July 1, 1958, the Board offered to support Ontario barley on the basis of 83 cents a bushel, on track, for No. 2 C.E. or better quality.

No purchases were made under this program up to March 31, 1959.

Dry Skimmed Milk -- On May 1, 1958, the Board was authorized to reduce its price support on spray process dry skimmed milk to 15 cents a pound and on roller process to 12 cents a pound; prices being offered up to that time were 17 and 14 cents a pound respectively. The effective prices were 107 per cent of the 10-year average base price.

The Board purchased, up to March 31, 1959, 111,558,471 pounds of dry skimmed milk of which 104,190,491 pounds were purchased after May 1, 1958, and slightly more than 75 per cent of the total purchases were spray process. The Board sold all of the 35,087,697 pounds of dry skimmed milk which had been purchased on the 1957 price basis, including the inventory of 27,719,717 pounds. In addition it sold 39,997,869 pounds of the 1958-59 production up to March 31, 1959.





Sales were made in the domestic market at cost, in certain approved export markets for human consumption at 9.05 cents a pound for spray process and 7.55 cents a pound for roller process. In addition, during the year the Board sold approximately 14 million pounds to the Department of External Affairs at 7 cents a pound for donation to approved international relief agencies. Sales of older spray powder and roller powder were also made for feed to approved export markets at a price of approximately 5 cents a pound, f. a. s. Canadian seaboard.

The net cost of the 1957-58 production sold was \$4,015,999. The net cost of the 1958-59 production which was sold was \$2,940,944. The total net cost to the Board for all product sold during the year was \$6,956,943.

Soybeans -- The Board was authorized to support soybeans marketed under the control of the Ontario Soybean Growers' Marketing Board at a price equivalent to \$2.10 a bushel for Canada No. 2 grade or better, 14 per cent moisture delivered at the elevator. This price was approximately 90 per cent of the 10-year average base price.

Arrangements were made to make payment, if any, of the difference between the price received for the soybeans and the support price on the basis of the calculations made by the Ontario Soybean Growers' Marketing Board as agent of the Agricultural Stabilization Board.

The program started on July 1, 1958, and was not completed at March 31, 1959, although it was expected there would be a substantial payment at the close of the program.

Sugar Beets -- The Board was authorized to pay to producers, through their respective growers' marketing boards in the various producing areas of Canada, the difference, if any, between the support price and the average gross market price of a pound of sugar. The support price in Alberta was on the basis of a gross market price of 10.64 cents a pound f.o.b. factory, in Manitoba 10.09 cents a pound and in Ontario 8.58 cents a pound. The Board was further authorized to make the same unit payment, if any, in Quebec as was paid in Ontario. These prices were approximately 93 per cent of the 10-year average base price and the program was to apply for the marketing of the 1958 crop of sugar beets.

Since this crop had not been completely marketed in any of the producing areas where prices were established as at March 31, 1959, no payments



had been made. It was expected, however, there would be some payment in connection with this program.

British Columbia Tomatoes for Processing -- The Board was authorized to purchase canned tomatoes and canned tomato juice from tomatoes grown in British Columbia during the 1958 season at a price equivalent to \$5.70 a case of 24 #28 ounce tins of Canada Choice canned tomatoes, basis f.o.b. factory British Columbia. This was approximately 112 per cent of the 10-year average base price.

The Board purchased 139,526 cases of canned tomatoes and resold, up to March 31, 1959, 69,566 cases at a net cost to the Board of \$51,641.

Asparagus -- The Board was authorized to pay up to 3 cents a pound on asparagus used for processing, if the average market price to producers for No. 1 asparagus of not more than 7 inches in length, delivered at processing plants, fell this amount below 18 cents a pound in Ontario and 17 cent a pound in British Columbia. These prices were approximately 86 per cent and 85 per cent of the 10-year average base prices respectively.

In the case of both British Columbia and Ontario the asparagus sold for at least 3 cents a pound on the average less than the stated support price; the total payment made amounted to \$106,021.

British Columbia Raspberries for Processing -- The Board was authorized to purchase raspberries grown in British Columbia in 1958 and processed in either frozen or SO<sup>2</sup> form at a price of 15 cents a pound for frozen raspberries and 14-1/2 cents a pound for SO<sup>2</sup> raspberries, f.o.b. factory. These were approximately 102 per cent and 91 per cent respectively of the 10-year average base prices.

The Board purchased 3,243,183 pounds of frozen raspberries and 289,600 pounds of SO<sup>2</sup> raspberries, and resold 56,000 pounds of frozen raspberries up to March 31, 1959, at a net cost of \$429. Further costs were anticipated in connection with the resale of the balance of this product.

Peaches -- The Board was authorized to support the price of peaches in Ontario on the basis of \$83 a ton for No. 1 peaches delivered at processing plants and at \$84.83 a ton in British Columbia. These prices were approximately 89 per cent of the 10-year average base price.



Arrangements were made to relate by formula the price paid to the grower for a ton of peaches to the selling price of the final product. The Board would then calculate, based on this formula, what, if any, payment was required to make up the difference between the price paid to the grower in relation to the selling price of the final product on the average during the marketing season and the support price to the grower.

By March 31, 1959, the marketing season had not been completed and, therefore, no payments had been made up to that time. Some cost in connection with this program will likely be included in payments during the next fiscal year.

Apricots -- The Board was authorized to support apricots of which marketings were regulated by the British Columbia Fruit Board on the basis of an average price of \$76 a ton to the grower for all grades and varieties.

Since the apricots sold by the British Columbia Tree Fruits Limited returned to the growers a higher price than this support price, no payment was necessary under this program.

British Columbia Apples -- The Board was authorized, after review of the final pool distribution for British Columbia apples, to pay 12 cents a box on all graded and packed apples from the 1957 crop handled through the British Columbia Tree Fruits Limited. This payment, in addition to the pool distribution to the growers, made their total return approximately 93 per cent of the 10-year average base price.

The total stabilization payment under this program as at March 31, 1959, amounted to \$768,415.

Prince Edward Island Potatoes -- The Board was authorized to arrange to make a payment for such potatoes as might be left in bins or other storages on farms in Prince Edward Island from the 1957 crop on the basis of 45 cents for a 75-pound bag for those potatoes which could be considered to have been No. 1 grade, on the recommendation of the Prince Edward Island Potato Marketing Board.

The total payment in connection with this program was \$122,932.

Extracted Honey -- The Board was authorized to support extracted honey produced during the year 1958 on the basis of an average price for a pound





of White No. 1 or better grade honey related to the pool return of 12 cents a pound for the four co-operatives in Ontario, Manitoba, Saskatchewan and Alberta. This was approximately 91 per cent of the 10-year average base price.

Although the 1958 production marketing period was not finished at March 31, 1959, it was not expected there would be any payment under this program.

Turkeys -- On July 17, 1957, the Agricultural Prices Support Board was authorized to offer to purchase turkeys on the basis of a price equivalent to 25 cents a pound, live weight, delivered at Toronto and Montreal, for birds weighing at least 10 pounds but under 20 pounds. No purchases had been made under this program up to March 31, 1959.

Import controls on turkeys were put into effect on July 17, 1957, at the time the price support began. Import permits were granted when considered necessary during the fiscal year 1958-59.

New Brunswick Potatoes -- On January 31, 1958, the Agricultural Prices Support Board was authorized to provide payments to growers on 1957-crop potatoes delivered to starch plants for processing. Payments were to be made on the quantity of potatoes delivered which graded Canada No. 1, including up to 12 per cent Canada No. 1 small. The Governor in Council prescribed prices which the producers were to receive of \$1.65 a barrel for potatoes delivered on or before February 28; \$1.55 a barrel for potatoes delivered between March 1 and April 30, and \$1.45 a barrel for potatoes delivered on or after May 1, 1958. Payments up to these prices were made conditional to the fact that potatoes sold to consumer market outlets during this period, other than for starch, remained higher than \$1.35 a barrel.

A total of 246,950 barrels were delivered under this program, of which 36,402 barrels were delivered up to March 31, 1958. The total cost of the program was \$275,405., of which \$30,955. was written off in the fiscal year 1958-59.

Fowl -- The Board continued to sell the fowl which had been acquired in the previous year during the fiscal year 1958-59 and sold 5,951,924 pounds at a net cost to the Board of \$423,367.



General -- The Board met 64 times during the year and also met several times to receive delegations. Industry groups either sought consideration of proposals for price support or came to discuss buying and selling policies for products in which the Board was interested.

In its operations the Board, as far as possible, has anticipated probable needs. It studies, with the assistance of the Economics Division of the Department of Agriculture, situations that would appear likely to lead to requests for action. When actual purchase and selling operations are undertaken, the commodity divisions of the Department of Agriculture are active in assisting the Stabilization Board in carrying out these purchase and sales programs.

The Advisory Committee to the Board met four times during the year and discussed a varying number of problems referred to it by the Board including those relating to the use of cost of production, different methods that might be appropriate for supporting various products as well as considering the price at which supports might be set.

#### Administration

The administration costs of the Board during the year 1958-59 amounted to \$73,224 made up as follows:

Salaries	\$ 60,728.
Travelling Expenses	10,330.
Telephones and telegrams	1,232.
Office stationery, supplies and equipment	934.
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TOTAL	<u>\$ 73,224.</u>





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ANNUAL REPORT

~~THE~~ THE AGRICULTURAL STABILIZATION BOARD

1959 - 60





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THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT

TO

THE MINISTER OF AGRICULTURE

FOR THE YEAR

1959 - 60

Board Members:

L. W. Pearsall, Chairman

A. H. Turner, Vice-Chairman

S. J. Chagnon, Member



## ANNUAL REPORT 1959-60

### THE AGRICULTURAL STABILIZATION BOARD

The Agricultural Stabilization Act was assented to on January 31, 1958. In it provision was made to replace and succeed the Agricultural Prices Support Act, and the first changes in support prices under the Agricultural Stabilization Act came into effect April 1, 1958.

The total net cost from the start of operations of the Agricultural Prices Support Board in 1946 to March 31, 1958, was \$100,073,260.26. The net cost of operations of the Agricultural Stabilization Board in its first year ended March 31, 1959, was \$15,124,100, which was divided among various commodities as follows:

<u>PRODUCTS</u>	<u>NET COST OF PROGRAM</u>
1. <del>Potatoes</del> Creamery Butter	\$ 342,447
2. Cheddar Cheese	723,826
3. Dry Skimmed Milk	6,956,943
4. Shell Eggs	3,425,748
5. Fowl	423,367
6. Hogs	135,411
7. Lambs	281,176
8. Wool	1,541,294
9. Tomatoes	51,641
10. Raspberries	429
11. Potatoes	367,382
12. Apples	768,415
13. Asparagus	106,021
<hr/>	
TOTAL	\$ 15,124,100

In addition to the nine mandatory commodities, namely, butter, cheddar cheese, eggs, hogs, cattle, sheep, and wheat, oats and barley (these three grains when grown outside the area designated by the Canadian Wheat Board Act), price support was provided by the Agricultural Stabilization Board during the fiscal year 1959-60 for the following non-mandatory commodities: soybeans, sugar beets, British Columbia tomatoes for processing, extracted honey, Manitoba sunflower seed, turkeys, milk for manufacturing and dry skimmed milk, the latter until September 30, 1959.





Tabular summary of the actual dollar value of operations during the fiscal year 1959-60 with the calculation of the net cost of each program based on production year

Product	Year	Inventory Value March 31 1959	Purchases & Costs Added during year	Value of Sales during year	Inventory Value March 31 1960	Net Cost or Payment during year
Creamery Butter	1958	32,391,873	1,437,207	28,617,536	2,066,713	3,144,831
	1959	nil	48,749,096	8,296,016	40,189,297	263,783
Cheeddar Cheese	1958	nil	104,956	nil	nil	104,956
	1959	nil	503,935	198,930	299,781	5,224
Skimmed Milk	1958-59	9,936,132	1,946,098	4,580,231	nil	7,301,999
	1959-60	nil	5,181,411	3,784,187	591,174	806,050
Shell Eggs	1957-58	2,372	2,279	nil	nil	4,651
	1959	2,119,167	7,873,731	5,187,272	nil	4,805,626
Onions	1957	262,913	5,711	130,862	nil	137,762
Apples	1958-59	20,836,220	125,968,544	44,857,487	74,085,444	27,861,833
Peas	1958-59	nil	1,951,276	1,590,296	nil	360,980
Tomatoes	1958	366,951	16,766	326,182	nil	57,535
Raspberries	1958	600,682	94,052	100,423	563,651	30,660
Milk	1959-60		9,844,110			9,844,110
Peas	1958		357,214			357,214
Beans	1958		1,217,433			1,217,433
Garlic Beets	1958		2,656,724			2,656,724
Tomatoes	1959		37,926			37,926
Onions	1958		40,149			40,149
	1959		1,179,312			1,179,312
TO TALS		66,516,310	209,167,930	97,669,422	117,796,060	60,218,758

In addition to the costs shown here it is expected that there will be further costs to the Government in the disposal of the inventories held at March 31, 1960.



Details of the commodity programs are given in the following sections.

Creamery Butter -- The Board was authorized to continue to support Canada First Grade creamery butter from May 1 for a period of twelve months on the basis of 64 cents per pound Montreal. This price was approximately 107 per cent of the ten-year average base price of 60 cents per pound.

During the year the Board purchased 74,540,427 pounds of which 13,027,870 pounds were sold in addition to 46,544,899 pounds of 1958 production. Of this quantity, 13,389,350 pounds were sold for export.

The net cost incurred during the fiscal year was \$3,144,831 on sales of 1958 production and \$263,783 on sales of 1959 production. The net cost chargeable to butter was based on a selling price in the domestic market of 64 cents per pound delivered in Eastern Canada, and approximately 56 cents per pound, delivered seaboard, on the export sales.

Cheddar Cheese -- The Board was authorized to support Canada First Grade cheddar cheese on the basis of 31 1/2 cents per pound delivered Montreal for Quebec cheese and 32 cents per pound at approved warehouse points for Ontario cheese. These prices were equivalent to 103 per cent of the ten-year average base price and 2 cents below the support prices in effect for the previous twelve months.

During the year, the Board purchased 1,545,472 pounds of cheddar cheese and sold 625,541 pounds. The net loss on 1959 production was \$5,224 and there were additional costs on 1958 cheese of \$104,956.

Dry Skimmed Milk -- On May 1, 1959, the Board was authorized to reduce its price support for spray process dry skimmed milk to 10 cents per pound and on roller process dry skimmed milk to 8 cents per pound from prices being offered up to that time from 15 to 12 cents per pound respectively. It was further announced that this price support would be discontinued as at September 30, 1959.

During the year the Board purchased 61,825,735 pounds, of which 50,358,157 pounds were purchased after May 1 on the new support basis. The Board sold the balance of the dry skimmed milk purchased on the 1958 basis, 75,659,200 pounds and, in addition, sold 44,650,184 pounds purchased on the 1959 price bases. Of these quantities, approximately 48 million pounds were sold to the Department of External Affairs for donation to approved international relief agencies.





The net cost of the 1958-59 production sold was \$7,301,999. The net cost of the 1959-60 production which was sold was \$806,050. The total net cost to the Board for all products sold during the year was \$8,108,049.

Whole Milk for Processing -- The Board was authorized to make a payment from May 1, 1959, of 25 cents per cwt. to milk producers who deliver whole milk for manufacturing purposes, but who do not participate in deliveries to the fluid bottled milk market.

This payment was made on 3,932,721,496 pounds of milk at a total cost to March 31, 1960 of \$9,844,110.

Cattle -- On April 1, 1959 the Board offered to support "good" steers on the basis of \$17.80 per cwt. at Toronto, with appropriate prices for other markets throughout Canada. This was the mandatory support of 80 per cent of the ten-year average base price.

The market remained above this level throughout the year and no support measures were required.

Lambs -- On April 1, 1959, the Board offered to purchase "good" lambs on the basis of \$19.55 per cwt. at Toronto, with appropriate differentials in prices for other markets throughout Canada. This was the mandatory support of 80 per cent of the ten-year average base price.

The Board purchased 4,874,256 pounds of lamb under this program and resold it in the domestic market at a cost of approximately 7.4 cents per pound. The net cost on lambs during this fiscal year, after a credit adjustment of \$293 from the 1958 program, was \$360,980.

Wool -- On April 1, 1959, the Board was authorized to prescribe a price of 60 cents per pound, basis average return for Western Range and Eastern Domestic wool at Toronto. In February 1960 the Board determined that the difference, based on the sales of the bulk of the wool delivered in these grades during the 1959-60 period, was 21 cents lower than the 60 cents per pound prescribed.

At March 31, 1960, the Board had made payments on 5,615,210 pounds of 1959 production, at a net cost of \$1,179,312. Payments were also made during the year on 142,009 pounds of 1958 production, at a net cost of \$40,149.



Hogs -- The Board was authorized to continue to offer to purchase hogs on the basis of \$25 per cwt., warm dressed weight from Grade A carcasses at Toronto, until September 30, 1959, and on the basis of \$23.65 per cwt. for the remainder of the twelve-month period from October 1, 1959 through March 31, 1960.

At April 1, 1959, the Board held 54,543,507 pounds of pork products in the form of frozen cuts. From then until the offer to purchase program was discontinued at January 9, 1960, the Board purchased 128,100,551 pounds of frozen pork cuts, 114,228,918 pounds of canned pork luncheon meat and 8,331,876 pounds of canned hams. During the year, the Board disposed of 145,080,852 pounds of pork cuts (a large proportion of which were sold to canning firms for resale to the Board in the form of canned pork) and 25,659,360 pounds of canned pork luncheon meat. None of the canned hams were disposed of.

Of the pork cuts, approximately 17.6 million pounds were sold for export to approved markets; 2,190,366 pounds of Sides were sold at 33 cents per pound and 693,477 pounds of Backs at an average of 29.3 cents per pound, delivered seaboard; 14,564,945 pounds of Bellies were sold at varying prices averaging 10.6 cents per pound at seaboard. The balance of exports were Butts and Picnics at 20 to 24 cents per pound, and Hams 24 to 28 cents, at seaboard. The balance was disposed of by domestic sales, although part of this product ultimately was shipped to United States. Board stocks of cuts remaining at March 31, 1960 were 37,563,206 pounds.

Of the canned pork luncheon meat, 179,370 pounds were sold to approved export markets at 17 cents per pound delivered seaboard. CARE purchased 1,350,000 pounds for foreign shipments, 225,000 pounds at 8 cents per tin and the balance at 4 cents per tin. 6,152,104 pounds were sold to the Department of External Affairs for donation to approved international relief agencies, and the balance of 17,977,886 pounds were donated for welfare purposes in Canada. Stocks of luncheon meat remaining at March 31, 1960 were 88,569,558 pounds.

The total net cost for all pork products in the fiscal year was \$27,861,833.

It was announced in October 1959 that as of January 11, 1960, the Board would discontinue to offer to purchase product at the support price and would change to a deficiency payment plan of support. Payments, if any, are to be limited to registered producers on the basis of an annual rate of deliveries of up to 100 Grade A and Grade B hogs. For purposes of calculating the support on a national basis, it was determined by the Board that a national price of \$22.65 per cwt. for Grade A carcasses was equivalent to the \$23.65 support price at Toronto.





Fowl -- The Board disposed of the balance of the fowl, 660,188 pounds which had been acquired during the fiscal year 1957-58, at a net cost of \$137,762.

Some 476,751 pounds of this fowl was sold for export to European markets at a price in storage averaging approximately 20.5 cents per pound, and the balance was sold on the domestic market at varying prices.

Turkeys -- The Board continued the support price on turkeys by an offer to purchase on the basis of 25 cents per pound, live weight at Toronto, for No. 1 turkeys weighing at least 10 pounds but under 20 pounds, through December 31, 1959. In January 1960, the Board was authorized to support the price on the basis of 20 cents per pound, effective until January 1, 1961.

No purchases were made under this program up to March 31, 1960.

Shell Eggs -- On May 5, 1959, the Board was authorized to continue to offer to purchase shell eggs on the basis of 44 cents per dozen for Grade A Large and Grade A Extra Large eggs, graded and packed Montreal, with appropriate differentials for other markets in Canada.

The Board had on hand at March 31, 1959, 166,985 cases of eggs, all purchased in 1959, and purchased after that date 550,460 cases. Purchases were discontinued in September. The total quantity, 717,445 cases, has been disposed of in the form of shell eggs, processed frozen whole egg or egg powder, in approved export markets.

Additional costs on 1957-58 eggs of \$4,651 were paid during this year and there were further net costs on the 1959 eggs of \$4,805,626, making the total net cost of operations in relation to shell eggs in the fiscal year \$4,810,277.

At the time the new price support starting May 5 was announced, it was also announced that, due to the increased deliveries of eggs, the Board would prepare a deficiency payment plan for eggs to go into effect as soon as possible. This plan was put into effect on October 1, 1959, and payments, if any, to registered producers are to be limited to an annual rate of deliveries of 4,000 dozen Grade A Large or Grade A Extra Large eggs.

Early in January, due to the depressed market price for eggs throughout Canada, it was announced that an interim payment would be made for the period January to March 1960, if the price during this period fell below the national weighted average of 33 cents per dozen, which is the calculated





equivalent of 44 cents per dozen for Grade A Large eggs in Montreal. The payment would be made on a maximum of 1,000 dozen Grade A Large or Grade A Extra Large eggs. Any deficiency payment made for the January to March period will be deducted from the total payment owing as a result of any annual payment which may be required for the full year October 1, 1959 to September 30, 1960, on a total of 4,000 dozen Grade A Large or Grade A Extra Large eggs. Arrangements have been underway to implement an interim payment.

Grains -- For the crop year commencing July 1, 1959, the Board announced supports for wheat, oats and barley at the mandatory level of 80 per cent of the ten-year average base price. The stabilization price was established on this basis in Ontario to be \$1.39 per bushel for wheat, 56 cents per bushel for oats and 81 cents per bushel for barley, all Canada Eastern No. 2 grade or better quality.

No payments were found necessary on these grains for the 1958 crop and market prices on the 1959 crop, particularly for wheat, have been above the supports.

Sugar Beets -- The Board was authorized to pay producers, through their respective marketing boards in the various producing areas of Canada, the difference, if any, between the support price and the average gross market price per pound of sugar for 1959 sugar beets. The support price in Alberta was on the basis of a gross market price of 9.79 cents per pound, in Manitoba 9.26 cents per pound and in Ontario 7.90 cents per pound. In the case of Quebec, the Board was authorized to make the same unit payment, if any, as was paid in Ontario.

In the fall of 1959, the Board determined the amounts of payments for the 1958 sugar beet crop and made payments at the rate of approximately .46 cents per pound of sugar to producers in Ontario and Quebec, 1.01 cents in Manitoba and .95 cents in Alberta. The total payments amounted to \$2,656,724. Consideration of payments which may be required for the 1959 crop will similarly be made in the fall of 1960.

Soybeans -- On July 1, 1959, the Board was authorized to prescribe a price of \$2 per bushel for Canada No. 2 grade or better soybeans delivered at elevators for the 1959 crop.

In the summer of 1959, the Board determined that a payment at the rate of 19.6683 cents per bushel was required on the 1958 crop of soybeans. Payments were therefore made on certified producer marketings of 6,190,025 bushels, at a net cost of \$1,217,433.



Manitoba Sunflower Seed -- The Board was authorized to stabilize the price of sunflower seed produced in Manitoba and sold for crushing during the period August 1, 1959 to July 31, 1960, at a price of 4 cents per pound, basis No. 1 grade, 10 per cent moisture, delivered at the crusher, Altona.

From reports received on the market situation, it is anticipated that some payment will be required under this program after the full returns are known.

Peaches -- The Board was authorized to support the price of peaches grown in 1958 in Ontario, on the basis of \$83 per ton for No. 1 peaches delivered at processing plants and, similarly, \$84.83 per ton in British Columbia.

Under this program a payment of \$13 per ton was required to growers in Ontario, and payment was made on 54,954,234 pounds of peaches at a net cost of \$357,214. Returns to growers in British Columbia indicated that no payment was required.

British Columbia Raspberries -- Of the stocks of raspberries purchased by the Board under the 1958 support program in British Columbia, sales amounting to 543,846 pounds of frozen berries and 130,000 pounds of SO<sup>2</sup> berries were made in the domestic market during this fiscal year at a net cost of \$30,660.

At March 31, 1960, the Board still held 2,643,340 pounds of frozen stocks and 159,600 pounds of SO<sup>2</sup>.

British Columbia Tomatoes -- The Board was authorized to make a payment of 42.5 per cent of the price received by the producers from the processors for British Columbia tomatoes for processing produced in 1959. On this basis, the payment on No. 1 cannery tomatoes, totalling 2,418 tons, was made at \$11.05 per ton, and on 1,758 tons of No. 2's at \$6.37 1/2 per ton. The net cost of the program was \$37,926.

The balance of British Columbia tomatoes purchased by the Board in 1958, 69,960 cases, was sold during this fiscal year at a net cost of \$57,535.

Extracted Honey -- The Board was authorized to support extracted honey produced in Canada during the year 1958 at 12 cents per pound, basis White No. 1 or better grade, as related to the pool return of the honey co-operatives.





For the 1959 crop, the Board was authorized to support extracted honey produced in Canada and delivered to registered packers in the period from July 1, 1959, to June 30, 1960, at 13 1/2 cents per pound on the same grade basis. This support was at approximately 104 per cent of the base price where the support for the 1958 crop had been at 91 per cent.

No payment has been required in respect to the 1958 crop and it is not anticipated that any will be required for the 1959 crop.

General -- During the fiscal year 1959-60 the Board held eighty-nine meetings, and in addition met several times to receive delegations. Representatives of producer organizations and the industry met with the Board seeking consideration of proposals for price stabilization or to discuss buying and selling policies for products in which the Board was interested.

In its operations the Board, as far as possible, has anticipated probable needs. It also made studies, with the assistance of the Economics Division of the Department of Agriculture, of situations that would appear likely to lead to requests for action by the Board.

In connection with actual purchase and selling operations undertaken by the Board, the various commodity divisions of the Department of Agriculture were active in assisting the Board in carrying out these purchase and sales programs.

The Advisory Committee to the Board met three times during the year and discussed a varying number of problems referred to it by the Board, including those relating to the use of cost of production, different methods that might be appropriate for stabilizing the prices of various products, as well as considering the price at which supports might be set.

#### Administration

The administration costs of the Board during the year 1959-60 amounted to \$224,209, made up as follows:



Salaries	\$ 154,330
Overtime	2,293
Travelling and Removal Expenses	2,723
Telephones and telegrams	1,015
Office stationery, supplies and equipment	56,392
Expenses of Advisory Committee	7,176
Sundries	280
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TOTAL	\$ 224,209
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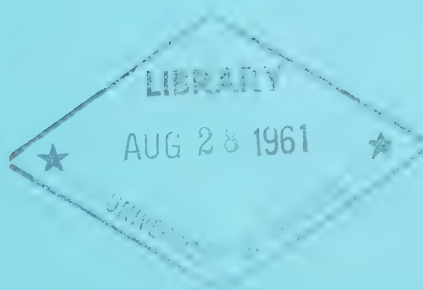


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ANNUAL REPORT  
(THE) AGRICULTURAL STABILIZATION BOARD

1960 - 61







THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT  
TO  
THE MINISTER OF AGRICULTURE  
FOR THE YEAR  
1960 - 61

Board Members:

L.W. Pearsall, Chairman  
S.J. Chagnon, Vice-Chairman  
S.B. Williams - Member



## ANNUAL REPORT 1960-61

### THE AGRICULTURAL STABILIZATION BOARD

The total cost of the Agricultural Stabilization Board programs in the first two years of operations, ending March 31, 1960, was \$75,342,858. The cost, by commodities, was as follows:

<u>PRODUCT</u>	<u>NET COST OF PROGRAMS</u>
1. Creamery Butter	\$ 3,751,061
2. Cheddar Cheese	834,006
3. Dry Skimmed Milk	15,064,992
4. Milk for manufacturing	9,844,110
5. Shell Eggs	8,236,025
6. Fowl	561,129
7. Hogs	27,997,244
8. Lambs	642,156
9. Wool	2,760,755
10. Tomatoes	147,102
11. Potatoes	367,382
12. Apples	768,415
13. Peaches	357,214
14. Raspberries	31,089
15. Asparagus	106,021
16. Soybeans	1,217,433
17. Sugar Beets	2,656,724
	<hr/>
	\$ 75,342,858

In addition to the nine mandatory commodities, namely butter, cheddar cheese, eggs, hogs, cattle, sheep and wheat, oats and barley (these three grains when grown outside the area designated by the Canadian Wheat Board Act), price support was provided by the Agricultural Stabilization Board during the fiscal year 1960-61 for the following non-mandatory commodities: soybeans, sugar beets, British Columbia tomatoes for processing, extracted honey, Manitoba sunflower seed, turkeys and milk for manufacturing.



Tabular summary of the actual dollar value of operations during  
the fiscal year 1960-61 with the calculation of the net cost of each  
**program** based on production year

Product	Year	Inventory Value March 31, 1960.	Purchases & Costs Added during year	Value of Sales during year	Inventory Value March 31, 1961.	Net Cost or Payment during year
		\$	\$	\$	\$	\$
Creamery Butter	1958	2,066,713	178,987	249,881	1,940,439	55,380
	1959	40,189,297	5,127,894	16,604,335	27,490,993	1,221,863
	1960		51,432,900	12,736,842	37,531,307	1,164,751
Cheddar Cheese	1959	299,781	242,160	512,008	nil	29,933
	1960	nil	2,495,223	1,487,059	768,553	239,611
Dry Skim- med Milk	1959	591,174	169,231	nil	753,736	6,669
Shell Eggs	1959	nil	12,855	nil	nil	12,855
Fowl	1957	nil	295	nil	nil	295
Hogs (pork)	1959					
	-60	74,085,444	1,759,964	24,713,747	21,895,393	29,236,268
Lambs	1960	nil	408,564	307,430	nil	101,134
Rasp- berries	1958	563,651	41,996	335,216	2,171	268,260
Milk for manufactur- ing	1959-60	nil	1,119,873	nil	nil	1,119,873
	1960-61	nil	10,312,896	nil	nil	10,312,896
Hogs(def.)	1960	nil	7,470	nil	nil	7,470
Eggs(def.)	1959-60	nil	2,082,673	nil	nil	2,082,673
Wool	1958-59	nil	3,696	nil	nil	3,696
	1960	nil	1,249,304	nil	nil	1,249,304
Sugar Beets	1959	nil	2,715,765	nil	nil	2,715,765
Soy- beans	1958	nil	573	nil	nil	573
	1959	nil	866,621	nil	nil	866,621
Tomatoes	1960	nil	36,028	nil	nil	36,028
Sunflower Seeds	1959	nil	44,377	nil	nil	44,377
TOTALS		117,796,060	80,309,345	56,946,518	90,382,592	50,776,295





Details of the commodity programs are given in the following sections.

Creamery Butter -- By Order in Council P.C. 1960-466 of April 12, 1960, the Board was authorized to support Canada First Grade creamery butter, 40-93 score or higher, from May 1, 1960 for a period of twelve months, on the basis of 64 cents per pound Montreal. This price was approximately 107 per cent of the ten-year average base price of 60 cents per pound.

During the year the Board purchased 78,512,896 pounds, of which 3,893,300 pounds was of 1959 production; that is produced prior to May 1, 1960. Some 29,882,290 pounds of the older stocks of butter were converted to oil for renewal and holding purposes.

Sales during the fiscal year were as follows:

<u>Production Year</u>	<u>Butter - lb.</u>	<u>Oil - lb.</u>
1958-59	359,392	12,528
1959-60	24,474,069	1,238,197
1960-61	16,614,745	
Total	<u>41,448,206</u>	<u>1,250,725</u>

The net cost incurred on butter during the fiscal year was \$2,441,994. The basis of sale was 64 cents per pound, delivered in Eastern Canada.

Cheddar Cheese -- By Order in Council P.C. 1960-467 of April 12, 1960, the Board was authorized to continue to support Canada First Grade cheddar cheese from May 1, 1960 for a period of twelve months, on the basis of 31 1/2 cents per pound delivered Montreal for Quebec cheese and 32 cents per pound at approved warehouse points for Ontario cheese. These prices were equivalent to 101 per cent of the ten-year average base prices in these provinces.

During the year the Board purchased 8,441,374 pounds of cheddar cheese, of which 742,630 pounds was 1959 production and the balance 1960 production. Sales during the year amounted to 6,987,511 pounds, 1,662,561 pounds being the balance of the 1959 product and the remainder 1960 product. The total net cost was \$269,544.



Dry Skimmed Milk -- The Board was not authorized to purchase dry skimmed milk during this fiscal year but retained the quantity of stocks on hand at the end of last year.

Whole Milk for Processing -- By Order in Council P.C. 1960-468 of April 12, 1960, the Board was authorized to continue the payment of 25 cents per cwt. which was commenced on May 1, 1959, to milk producers who deliver whole milk for manufacturing purposes but who do not participate in deliveries to the fluid milk market.

Payments for the fiscal year totalled \$11,432,769, of which \$1,119,873 was the balance of payments on the 1959-60 production. This brought the total milk payment for the first full production year to \$10,963,983.

Cattle -- For the twelve months commencing April 1, 1960, the base price for "good" steers at Toronto was \$22.75 per cwt. and the Board prescribed a support price, at the 80 per cent mandatory level, of \$18.20 per cwt., basis Toronto market, with appropriate prices for other markets throughout Canada.

The market remained above this level throughout the year and no support measures were required.

Lambs -- For the twelve months commencing April 1, 1960, the base price for "good" lambs at Toronto was \$24.17 per cwt. and the Board prescribed a support price, at the 80 per cent mandatory level, of \$19.35 per cwt., basis Toronto market, with appropriate prices for other markets throughout Canada.

The Board purchased 896,781 pounds of lamb under this program and resold it in the domestic market at a net cost of \$101,134.

Wool -- By Order in Council P.C. 1960-514 of April 13, 1960, the Board was authorized to support the price of wool for the twelve months commencing April 1, 1960, at 60 cents per pound, basis average return for Western Range and Eastern Domestic wool at Toronto. This support was at 113 per cent of the ten-year average base price.



A deficiency payment of 23 cents per pound was made on 5,454,105 pounds marketed during the year, at a net cost of \$1,249,304. Payments amounting to \$3,696 were also made during the year on delayed returns for 1958 and 1959 production.

Hogs -- In accordance with the announcement in October 1959, the price of hogs was supported under the deficiency payment plan from January 11, 1960, on the basis of \$23.65 for Grade A carcasses Toronto, which the Board determined as equivalent to a national price of \$22.65 per cwt. As the average market price throughout 1960 remained above the support level, no stabilization payments were required for that year but administrative costs in connection with the deficiency payment program were \$7,470.

By Order in Council P.C. 1961-95 of January 26, 1961, the Board was authorized to continue support for the 1961 calendar year at \$22.65 per cwt. for Grade A carcasses, national basis. Deficiency payments again are to be limited to a maximum of 100 Grade A and Grade B hogs annually for each registered producer.

At April 1, 1960, the Board held 37,563,206 pounds of pork cuts, 88,569,558 pounds of canned pork luncheon meat and 8,331,876 pounds of canned hams.

All of the pork cuts were disposed of during the year. Export sales amounted to 6,457,980 pounds of which 785,108 were hams at 24 cents per pound and the balance bellies at 10 to 10 1/4 cents per pound, prices delivered seaboard. A quantity of 114,839 pounds of bellies was donated for welfare purposes in Canada and the remainder of the stocks was sold in the domestic market.

59,818,122 pounds of canned pork luncheon meat were disposed of during the year. Export sales to approved countries totalled 3,798,522 pounds at prices of 16.17 to 26 cents per pound delivered seaboard. Domestic sales amounted to 43,425,108 pounds. Further donations of 3,307,384 pounds were made for relief purposes in Canada, and the Department of External Affairs acquired 9,287,108 pounds from the Board at a price for donations to approved international relief agencies.

2,957,364 pounds of canned hams were disposed of during the year. Export sales to approved countries totalled 1,655,946 pounds at prices of 33 1/3 to 37 cents per pound delivered seaboard. Domestic sales totalled 1,301,418 pounds.





The total net cost in the fiscal year for all pork products was \$29, 236, 268.

Turkeys -- By Order in Council P.C. 1960-125 of February 3, 1960, the Board was authorized to support the price of turkeys until January 1, 1961, by an offer to purchase on the basis of 20 cents per pound, Toronto, for live No. 1 turkeys weighing at least 10 pounds but under 20 pounds. A purchase program was established but the market remained above the prescribed price and no product was offered to the Board.

Eggs -- Accounts for \$12, 855 were paid during the year on shell eggs purchased in 1959.

Deficiency payments on eggs for the first year of operation under this method of support which closed on September 30, 1960, were made at the rate of 2.4 cents per dozen on up to 4, 000 dozen of Grades A Large and A Extra Large per producer. The net cost of this program during the fiscal year was \$2, 082, 673.

By Order in Council P.C. 1960-1315 of September 22, 1960, the Board was authorized to continue to support eggs for the twelve months commencing October 1, 1960, at the price basis of 33 cents per dozen national average to producers for Grade A Large eggs. This support is at approximately 83 per cent of the base price.

Grains -- For the crop year commencing July 1, 1960, supports were prescribed by the Board for oats and barley at the mandatory level of 80 per cent of the ten-year average base price, and for wheat by Order in Council P.C. 1960-982 of July 21, 1960, at 82 per cent of the base price. The prices accordingly prescribed were 57 cents per bushel for oats, 79 cents for barley and \$1.39 for wheat, all Canada Eastern No. 2 grade or better quality.

No payments were found necessary on these grains for the 1959 crop.

Sugar Beets -- Stabilization payments were made to producers on the 1959 sugar beet crop at the rate of .53 cents per pound of sugar to producers in Ontario and Quebec, 1.574 cents in Manitoba and 1.2 cents in Alberta. The net cost of these payments was \$2, 715, 765.



The support for the 1960 crop was changed from a provincial to a national basis and from a price on sugar to a price per ton of beets of a standard sugar content. By Order in Council P.C. 1960-772 of June 2, 1960, the Board was authorized to make payments on the 1960 crop to producers in all provinces, of the equivalent of the amount by which the prescribed price of \$14.23 per ton for sugar beets yielding 270 pounds of sugar exceeds the average price at which beets of that sugar yield are sold to the manufacturing plants in Ontario, Manitoba and Alberta. This support is at 100 per cent of the base price.

Soybeans -- Stabilization payments were made to producers in Ontario on the 1959 crop marketings of 6, 379, 631 bushels at the rate of approximately 13.6 cents per bushel for a net cost of \$866, 621. Additional payments of \$573 were made on the 1958 crop.

By Order in Council P.C. 1960-882 of June 23, 1960, the Board was authorized to continue a prescribed price of \$2.00 per bushel for Canada No. 2 grade or better quality soybeans delivered at elevators during the twelve months commencing July 1, 1960. This support is approximately 91 per cent of the base price.

Manitoba Sunflower Seed -- Stabilization payments at the rate of 1/2 cent per pound were made to Manitoba sunflower seed producers on the 1959 marketings of 8, 875, 506 pounds, for a total cost of \$44, 377.

By Order in Council P.C. 1960-1041 of July 30, 1960, the Board was authorized to continue a prescribed price of 4 cents per pound on the 1960 crop, which is for marketings during the twelve months commencing August 1, 1960, on the basis of Canada No. 1 seed delivered for crushing at Altona. This support is approximately 93 per cent of the base price.

Raspberries -- During the fiscal year, the Board sold the remainder of its stocks of raspberries purchased under the 1958 support program. These sales included 159, 600 pounds of SO<sup>2</sup> berries and 2, 643, 340 pounds of frozen berries. At the end of the fiscal year all accounts had been cleared except on 9, 913 pounds of frozen berries, and the net cost of these sales was \$268, 260.

British Columbia Tomatoes -- By Order in Council P.C. 1960-513 of April 13, 1960, the Board was authorized to make payments to producers on cannery tomatoes, grown in British Columbia in 1960 and delivered to



canneries in that province, at the rate of \$8.00 per ton on No. 1 tomatoes and \$5.00 per ton on No. 2. Payments were made on 5135.77 tons at a net cost of \$36,028.

Extracted Honey -- By Order in Council P.C. 1959-749 of June 12, 1959, the Board was authorized to support extracted honey produced in Canada and delivered to registered packers in the period July 1, 1959, to June 30, 1960, at 13 1/2 cents per pound, price to producers, basis White No. 1 or better grade. Details of price returns to producers on deliveries in that period were not received by the Board in time to consider a payment during this fiscal year.

The same prescribed price of 13 1/2 cents to producers, basis White No. 1 or better grade extracted honey, was again authorized by Order in Council P.C. 1960-730 of May 26, 1960 for deliveries to registered packers in the period July 1, 1960 to June 30, 1961. This support was at approximately 102 per cent of the base price.

General -- During the fiscal year the Board held sixty meetings and, in addition, met several times to receive delegations. Representatives of producer organizations and the industry met with the Board, seeking consideration of proposals for price stabilization or to discuss buying and selling policies for products in which the Board was interested.

In connection with actual purchase and selling operations and other commodity programs undertaken by the Board, the various commodity divisions of the Department of Agriculture were active in assisting the Board in carrying out these purchase and sales programs. The Economics Division of the Department also assisted the Board in preparing base price information, and in making cost and price studies in relation to products being considered for or under active support.

In relation to the deficiency programs for eggs and hogs and the milk payment program, the Board has provided staff and equipment within the Data Processing Service for handling registrations of producers, keeping producer marketing records, and for making the payments when required. This function has had to be expanded considerably during the year.





Administration -- The administrative costs for the Board during the year 1960-61 amounted to \$407,893.41, made up as follows:

Salaries	\$ 314,412.80
Overtime	4,980.06
Travelling Expenses	2,185.84
Telephones and Telegrams	925.38
Office Stationery, Supplies and Equipment	82,588.38
Sundries	<u>2,800.95</u>
TOTAL	<u><u>\$ 407,893.41</u></u>

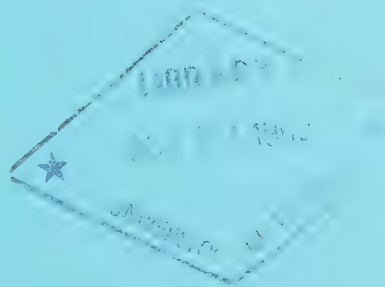


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ANNUAL REPORT

(THE) AGRICULTURAL STABILIZATION BOARD.

1961 - 62





THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT

TO

THE MINISTER OF AGRICULTURE

FOR THE YEAR

1961 - 62

Board Members:

L. W. Pearsall, Chairman

S. J. Chagnon, Vice-Chairman

S. B. Williams - Member





## ANNUAL REPORT 1961-62

### THE AGRICULTURAL STABILIZATION BOARD

The total cost of the Agricultural Stabilization Board programs in the first three years of operation, ended on March 31st, 1961, was \$126, 119, 153. The cost, by commodities, was as follows:

<u>Product</u>	<u>Net Cost of Programs</u>
1. Creamery butter	\$ 6,193,055
2. Cheddar Cheese	1,103,550
3. Dry Skimmed Milk	15,071,661
4. Milk for manufacturing	21,276,879
5. Eggs	10,331,553
6. Fowl	561,424
7. Hogs	57,240,982
8. Lambs	743,290
9. Wool	4,013,755
10. Tomatoes	183,130
11. Potatoes	367,382
12. Apples	768,415
13. Peaches	357,214
14. Raspberries	299,349
15. Asparagus	106,021
16. Soybeans	2,084,627
17. Sugar Beets	5,372,489
18. Sunflower Seeds	<u>44,377</u>
	<u>\$ 126,119,153</u>

In addition to the nine mandatory commodities, namely butter, cheddar cheese, eggs, hogs, cattle, sheep, and wheat, oats and barley (these three grains when grown outside the area designated by the Canadian Wheat Board Act), price support was provided by the Agricultural Stabilization Board during the fiscal year 1961-62 for the following non-mandatory commodities: soybeans, sugar beets, potatoes, extracted honey, sunflower seed, turkeys and milk for manufacturing.



Tabular summary of the actual dollar value of operations during the fiscal year 1961-62 with the calculation of the net cost of each program based on production year

Product	Year	Inventory Value March 31, 1961	Purchases & Costs Added during year	Value of Sales during year	Inventory Value March 31, 1962	Net Cost or Payment during year
Cannery Cater	1958	\$ 1,940,439	\$ 50,106	\$ 1,582	\$ 1,963,389	\$ 25,574
	1959	27,490,993	1,305,776	552,789	28,108,806	135,174
	1960	37,531,307	6,002,844	1,392,005	41,801,379	340,767
	1961	nil	66,598,460	24,179,816	40,438,270	1,980,374
Canned Fruit	1960	768,553	22,443	723,897	nil	67,099
	1961	nil	5,774,625	4,771,916	394,273	608,436
Skimmed Milk	1959	753,736	57,981	89,730	621,765	100,222
Shell Eggs	1958-59	nil	22,624	nil	nil	22,624
Canned Beans	1959-60	21,895,393	287,117	782,637	19,382,795	2,017,078
	(1960	nil	6	nil	nil	6
	(1961	nil	2,162,348	1,220,112	14,267	927,969
Raspberries	1958	2,171	8,226Cr	1,220	nil	7,275Cr
Apples	1955	nil	41Cr	nil	nil	41Cr
Efficiency Payments						
Canned Milk	(1960-61	nil	1,087,671	nil	nil	1,087,671
	(1961-62	nil	11,283,483	nil	nil	11,283,483
Canned Soybeans		nil	15,072	nil	nil	15,072
	(1958	nil	11Cr	nil	nil	11Cr
	(1959	nil	316Cr	nil	nil	316Cr
Canned Soybeans	(1960	nil	32,239	nil	nil	32,239
	(1961	nil	1,203,808	nil	nil	1,203,808
	1961	nil	3,341	nil	nil	3,341
Canned Potatoes	1959	nil	90,985	nil	nil	90,985
	1961	nil	401,574	nil	nil	401,574
Canned Beets	1959	nil	6Cr	nil	nil	6Cr
	1960	nil	1,670,015	nil	nil	1,670,015
TOTALS		90,382,592	98,063,918	33,715,704	132,724,944	22,005,862



Details of the commodity programs are given in the following sections:

Creamery Butter - By Order in Council P.C.1961-594, of April 20th, 1961, the Board was authorized to continue to support Canada First Grade creamery butter 40-93 score or higher, from May 1st, 1961, for a period of twelve months, on the basis of 64 cents per pound Montreal. This price was approximately 106 per cent of the ten-year average base price of 60.5 cents per pound.

During the year the Board purchased 109,585,331 pound of butter and sold 43,768,055 pounds of butter and 471,993 pounds of butter oil. The basis of sale was 64 cents per pound for First Grade butter delivered in Eastern Canada and an equivalent price for oil.

The total net cost incurred on butter during the year was \$2,481,889

Cheddar Cheese - By Order in Council P.C.1961-595, of April 20th, 1961 the Board was authorized to continue to support Canada First Grade cheddar cheese from May 1st, 1961, for a period of twelve months, on the basis of 31 1/2 cents per pound delivered Montreal for Quebec cheese, and 32 cents per pound at approved warehouse points for Ontario cheese. These prices were equivalent to 100 per cent and 99 per cent of the base prices in these respective markets.

The inventory of cheese at March 31st, 1961, was 2,373,794 pounds.

During the year the Board purchased 18,001,840 pounds. Sales amounted to 19,148,678 pounds, of which 14,148,975 pounds were exported to the United Kingdom at a price basis of 29 cents per pound at storage. The balance of sales was in the domestic market. The total net cost was \$675,535.

Dry Skimmed Milk - A quantity of 1,282,650 pounds of skimmed milk powder was released from Board stocks to the Department of External Affairs at a value for donations to international relief agencies. The Board's cost on these donations was \$100,222.

Whole Milk for Processing - By order in Council P.C.1961-596, of April 20th, 1961, the Board was authorized to continue the payment of 25 cents per cwt. for the year commencing on May 1st, 1961, to producers who deliver milk for manufacturing purposes but do not participate in sales to the fluid milk market. Payments for the fiscal year totalled \$12,371,153, of which \$1,087,671 was the balance of payments for the 1960-61 production year. This brought total payments for the 1960-61 production year to \$11,400,567.





Cattle - For the twelve months commencing on April 1st, 1961, the base price for "good" steers at Toronto was \$22.53 per cwt. and the Board prescribed a support price at the 80 per cent mandatory level, of \$18.05 per cwt., basis Toronto market, with appropriate prices for other markets. The market prices remained above this level and no support measures were required.

Lambs - By Order in Council P.C. 1961-994, of July 6th, 1961, the Board was authorized to support "good" or better quality lambs for the twelve months commencing April 1st, 1961, by an offer to purchase on the basis of \$19.35 per cwt., Toronto, with appropriate prices for other markets. This support was at 82 per cent of the base price.

During the year the Board purchased 5,359,238 pounds of dressed lamb and sold 5,323,854 pounds. All sales were in the domestic market and the net cost on lambs for the year was \$927,975.

Wool - By Order in Council P.C. 1961-993, of July 6th, 1961, the Board was authorized to continue the support price for wool in the twelve months commencing April 1st, 1961, at 60 cents per pound, basis average return for Western Range and Eastern Domestic wool at Toronto. This support was at 119 per cent of the base price.

A deficiency payment of 22 cents per pound was made to producers on 5,478,365 pounds of 1961 wool marketings and delayed payments were made on 117,821 pounds of 1960 marketings. The total net cost for wool, including minor adjustments of 1958 and 1959 programs, was \$1,235,720.

Hogs - Deficiency payments to hog producers were not required under the 1961 provisions authorized by Order in Council P.C. 1961-95, of January 26th, 1961, covering that calendar year at a support price of \$22.65 per cwt. for Grade A carcasses, national basis.

From stocks of pork held by the Board returns were received on the balance of frozen product, 89,928 pounds, and sales were completed of 3,407,112 pounds of canned luncheon meat and 771,930 of canned hams. All sales of canned pork were for export to approved destinations, including 84,996 pounds acquired by the Department of External Affairs for relief purposes in British Honduras. The commercial export sales were at 16.17 cents per pound for luncheon meat and 33.33 cents per pound for hams, both prices delivered Canadian seaboard. The total net cost on pork was \$2,017,078.



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Turkeys - Under Order in Council P.C. 1961-995, of July 6th, 1961, the Board was authorized to continue the offer to purchase turkeys until December 31st, 1961, on the basis of live No. 1 turkeys weighing 10 to 20 pounds, delivered Toronto, at 20 cents per pound with appropriate differentials for other weights, grades and markets.

No turkeys were sold to the Board under that offer. The offer was again extended for the calendar year 1962 by P.C. 1961-1845, of December 21st, 1961, but no purchases were required up to March 31st.

Eggs - Payments to producers were not required under the program authorized for the support year ended on September 30th, 1961.

Order in Council P.C. 1961-1421, of October 2nd, 1961, authorized the Board to continue to support eggs by the deficiency payment plan for the twelve months ending September 30th, 1962, at a price basis of 34 cents per dozen national average to producers for Grade A Large eggs. This is an increase of one cent per dozen in the support and at approximately 87 per cent of the base price.

Total costs for eggs were \$37,696, comprised of \$22,624 for outstanding items on shell egg operations in 1958 and 1959, \$7,939 for delayed 1960 deficiency payments and the balance for program expenses.

Grains - For the marketing year commencing July 1st, 1961 supports were prescribed for Ontario oats and barley at the mandatory level of 80 per cent of the ten-year average base price and for wheat under Order in Council P.C. 1961-996, of July 6th, 1961, at 83 per cent of the base price. The prices accordingly prescribed, basis Ontario shipping points, were 57 cents per bushel for oats, 76 cents for barley and \$1.39 for wheat, all Canada Eastern No. 2. grade or better quality.

No payments were required on these grains for the 1960-61 marketing year.

Sugar Beets - Stabilization payments were made to producers in all provinces on the 1960 sugar beet crop at the rate of \$1.51 per ton for beets yielding 270 pounds of sugar. Payments totalled \$1,670,015.





Under Order in Council P.C.1961-328, of March 9th, 1961, the Board was authorized to make payments to producers in the provinces of Quebec, Manitoba and Alberta for sugar beets produced and sold to factories in 1961, the equivalent of the amount by which the prescribed price of \$13.18 per ton for beets yielding 250 pounds of sugar exceeds the average price paid by the factories in Ontario, Manitoba and Alberta, and to pay to producers in Ontario the difference between a prescribed price of \$13.00 per ton yielding 250 pounds of sugar and the price received from the factory. The Ontario government has agreed to pay 50 cents per ton towards the deficiency payments to growers in that province. These prescribed prices are at 102 and 101 per cent of the respective base prices.

Soybeans - Deficiency payments were not required on soybeans in the year ended on June 30th, 1961, for which a support price of \$2.00 per bushel to Ontario growers had been authorized.

Under Order in Council P.C.1961-997, of July 6th, 1961, the Board was authorized to support soybeans marketed in Ontario during the twelve months commencing July 1st, 1961, at an increased price of \$2.13 per bushel for Canada No. 2 grade or better quality, delivered at elevators. This support is at approximately 100 per cent of the ten-year average base price.

Sunflower Seed - Deficiency payments were not required on sunflower seed in the marketing year ended on July 31st, 1961, for which a support price of 4 cents per pound to Manitoba growers had been authorized.

Under Order in Council P.C.1961-426, of March 23rd, 1961, the Board was authorized to support sunflower seed sold for crushing in Manitoba and Alberta during the twelve months ending on July 31st, 1962, at a prescribed price of 4.15 cents per pound, basis Canada No. 1 grade, 10 per cent moisture, delivered at crusher. This support is at approximately 100 per cent of the ten-year average base price.

Extracted Honey - A deficiency payment of one-half cent per pound was made during the year to producers on extracted honey delivered to registered honey packers in the period from July 1st, 1959, to June 30th, 1960. The cost of these payments totalled \$90,985.



Under Order in Council P.C. 1961-998, of July 6th, 1961, the Board was authorized to continue support on extracted honey at a prescribed national average price to producers of 13 1/2 cents per pound basis White No. 1 grade delivered to registered honey packers in the period from July 1st, 1961, to June 30th, 1962.

Potatoes - Under Order in Council P.C. 1961-1669, of November 23rd, 1961, the Board was authorized to pay to producers in New Brunswick on potatoes grading Canada No. 1, including 12 per cent No. 1 small from the 1961 crop delivered to starch factories for processing, the difference between the prescribed price of \$1.35 per barrel and the price received at the factory. In accordance with agreements made by the Board with the starch factories, the cost of payments made to the end of the fiscal year was \$256,699.

Under Order in Council P.C. 1962-184, of February 9th, 1962, the Board was authorized to pay to producers in the Maritime Provinces on potatoes from the 1961 crop grading Canada No. 1, 1 1/2 to 4 inches in diameter, exported in accordance with terms and conditions established by the Board, the difference between the prescribed price of \$1.45 per barrel and average return received from the exporter. In accordance with agreements reached, payments to producers made to the end of the fiscal year totalled \$144,875.



General - During the fiscal year the Board held sixty-eight meetings and, in addition, met several times to receive delegations. Representatives of producer organizations and the industry met with the Board, seeking consideration of proposals for price stabilization or to discuss buying and selling policies for products in which the Board was interested.

In connection with actual purchase and selling operations and other commodity programs undertaken by the Board, the various commodity divisions of the Department of Agriculture were active in assisting the Board in carrying out these purchase and sales programs. The Economics Division of the Department also assisted the Board in preparing base price information, and in making cost and price studies in relation to products being considered for or under active support.

In relation to the deficiency programs for eggs and hogs and the milk payment program, the Board has provided staff and equipment within the Data Processing Service for handling registrations of producers, keeping producer marketing records, and for making the payments when required.

Administration Costs - The administrative costs for the Board during the year 1961-62 amounted to \$574,509.10, made up as follows:

Salaries	\$ 428,880.79
Overtime	6,494.77
Travelling Expenses	4,938.36
Freight Express and Cartage	394.89
Telephones and Telegrams	984.35
Office Stationery, Supplies and Equipment	127,491.58
Sundries	<u>5,324.36</u>
TOTAL	\$ <u>574,509.10</u>





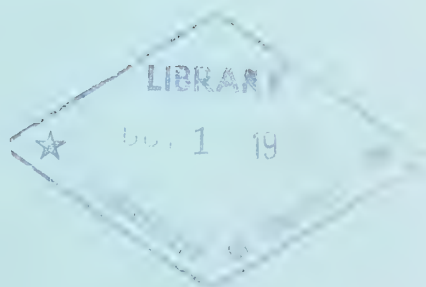
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ANNUAL REPORT

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THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT  
TO  
THE MINISTER OF AGRICULTURE  
FOR THE YEAR  
1962 - 63

Board Members:

S.B. Williams, Chairman  
S.J. Chagnon, Vice-Chairman  
A.H. Turner, Member



## ANNUAL REPORT 1962-63

### THE AGRICULTURAL STABILIZATION BOARD

The total cost of the Agricultural Stabilization Board programs in the first four years of operation, ended on March 31st, 1962, by commodities, was as follows:

<u>Product</u>	<u>Net Cost of Programs</u>
1. Creamery Butter	\$ 8,674,944
2. Cheddar Cheese	1,779,085
3. Dry Skimmed Milk	15,171,883
4. Milk for Manufacturing	33,648,033
5. Eggs	10,369,249
6. Fowl	561,424
7. Hogs	59,261,401
8. Lambs	1,671,265
9. Wool	5,249,475
10. Tomatoes	183,130
11. Potatoes	768,956
12. Apples	768,374
13. Peaches	357,214
14. Raspberries	292,074
15. Asparagus	106,021
16. Soybeans	2,084,627
17. Sugar Beets	7,042,498
18. Sunflower Seed	44,377
19. Extracted Honey	90,985
TOTAL	\$ <u>148,125,015</u>

In addition to the nine mandatory commodities, namely butter, cheddar cheese, eggs, hogs, cattle, sheep, and wheat, oats and barley (these three grains when grown outside the area designated by the Canadian Wheat Board Act), price support was provided by the Agricultural Stabilization Board during the fiscal year 1962-63 for the following non-mandatory commodities: soybeans, sugar beets, potatoes, extracted honey, sunflower seed, turkeys and milk for manufacturing.





Tabular summary of the actual dollar value of operations during the fiscal year 1962-63 with the calculation of the net cost of each program based on production year

Product	Year	Inventory Value March 31 1962	Purchases & Costs Added during year	Value of Sales during year	Inventory Value March 31, 1963	Net Cost or Payment during year
Creamery Butter	1958	1,963,389	54,434	351	2,017,310	162
	1959	28,108,806	773,829	385,019	28,325,357	172,259
	1960	41,801,379	1,107,320	2,620	42,892,980	13,099
	1961	40,438,270	4,393,877	2,921,942	41,028,950	881,255
	1962	nil	44,449,318	27,641,601	14,908,374	1,899,343
Cheddar Cheese	(1961	394,273	2,571,644	2,613,156	nil	352,761
	(1962	nil	5,709,490	5,037,478	nil	672,012
Dry Skimmed Milk	1959	621,765	28,563	202,007	266,501	181,820
Pork	1959-60	19,382,795	77,381	1,860,348	10,071,868	7,527,960
Lamb	1961	14,267	14,883 Dr	2,061	nil	31,211
Butter Subsidy	1962-63	nil	42,272,807	nil	nil	42,272,807
Deficiency Payments						
Milk	(1961-62	nil	1,334,391	nil	nil	1,334,391
	(1962-63	nil	11,923,478	nil	nil	11,923,478
Eggs	(1959-60	nil	115	nil	nil	115
	(1961-62	nil	662,909	nil	nil	662,909
Wool	(1961	nil	13,029	nil	nil	13,029
	(1962	nil	943,390	nil	nil	943,390
Hogs	1962	nil	1,222	nil	nil	1,222
Potatoes	1961	nil	619,448	nil	nil	619,448
Extracted Honey	(1960-61	nil	224,184	nil	nil	224,184
	(1961-62	nil	146,637	nil	nil	146,637
Sugar Beets	1961	nil	1,982,557	nil	nil	1,982,557
TOTALS		123,734,844	119,304,806	40,662,461	139,511,340	71,856,043



Details of the commodity programs are given in the following sections:

Creamery Butter - By Order in Council P.C. 1962-625 of April 26th, 1962, the Board was authorized to continue the support of Canada First Grade creamery butter 40-93 score or higher, from May 1st, 1962, for a period of twelve months, on the basis of 64 cents per pound Montreal. This price was approximately 106 per cent of the ten-year average or base price of 60.5 cents per pound.

During the year the Board purchased 90,470,915 pounds of butter and sold 62,635,170 pounds of butter and 594,030 pounds of butter oil. Sales were made on the basis of 52 cents per pound for First Grade butter delivered in Eastern Canada and an equivalent price for oil.

The Board was also authorized to provide a 12-cent per pound subsidy to manufacturers of creamery butter to reduce the price of butter to consumers and at the same time maintain a support to producers at the 64-cent level. Payments under this program totalled \$42,272,807 during the period from April 30th, 1962 to March 31st, 1963.

The total net cost incurred in connection with butter support during the year was \$45,238,925.

Cheddar Cheese - By Order in Council P.C. 1962-626 of April 26th, 1962, the Board was authorized to continue the support of Canada First Grade cheddar cheese from May 1st, 1962, for a period of twelve months, on the basis of 32 1/2 cents per pound delivered Montreal and Belleville. This price was approximately 102.8 per cent of the ten-year average or base price of 31.6 cents per pound.

Cheese held by the Board at March 31st, 1962 totalled 1,226,856 pounds. During the year, the Board purchased 24,844,292 pounds. All stocks were sold, mostly for export to the United Kingdom. The exports, which totalled 24,996,541 pounds, were sold on a basis of 28 1/2 cents per pound, basis storage. The total net cost in respect of cheese support for the year was \$1,024,773.

Dry Skimmed Milk - The Board sold 649,196 pounds for export at a price of 7.15 cents per pound delivered to eastern seaboard. A further quantity of 1,958,400 pounds was released from Board stocks to the Department of External Affairs for donations to international relief agencies. The Board's total cost in respect of the sale and the donations was \$181,820.

Whole Milk for Processing - By Orders in Council P.C. 1962-624 of April 26th, 1962 and P.C. 1962-948 of July 4th, 1962, the Board was authorized to continue the payment of 25 cents per hundredweight of milk for the year commencing



May 1st, 1962, to producers who do not normally deliver any portion of their milk to the fluid market. However, it was provided that in those areas of British Columbia where milk is delivered on a pool basis, a portion of the producers' shipments would be eligible for the 25-cent payment.

Payments under this program for the fiscal year totalled \$13,257,869. Of this amount, \$1,334,391 was the balance of payments for the 1961-62 production year. This additional amount brought total payments for the 1961-62 production year to \$12,617,874.

Cattle - For the twelve months commencing April 1st, 1962, the ten-year average or base price for "good" steers at Toronto was \$21.55 per cwt. Support was at the 80 per cent mandatory level, which was \$17.25 per cwt., basis Toronto market, with appropriate differentials for other markets. As market prices remained above this level, no support payments were made.

Lambs - By Order in Council P.C. 1962-748 of May 22nd, 1962, the Board was authorized to support "Good" or better quality lambs for the three-month period from April 1st, 1962 to June 30th, 1962, by an offering to purchase at a price of \$20.45 per cwt. live weight, basis Toronto, and for the nine months ending March 31st, 1963 by undertaking to make a deficiency payment if the national average market price fell below the support price of \$18.80 per cwt. live weight, national basis. These support prices were 92 per cent of the national ten-year average or base price of \$22.14 per cwt. at Toronto, and its equivalent national price of \$20.37 per cwt. to producers.

Since the average market price was above the support level for the twelve months, no support assistance was required. A net cost of \$31,211 was incurred during the year in connection with the completion of the 1961-62 purchase program.

Wool - By Order in Council P.C. 1962-747 of May 22nd, 1962, the Board was authorized to continue the support for wool in the twelve-month period commencing April 1st, 1962, at 60 cents per pound, basis average return for Western Choice 1/2 Blood and Eastern Domestic 1/4 Blood grades at Toronto. This level of support was approximately 133 per cent of the ten-year average or base price of 45 cents per pound.

A deficiency payment of 18.26 cents per pound was made to producers on 5,166,429 pounds of 1962 wool marketings. Delayed payments at a rate of 22 cents per pound were made on 59,224 pounds of 1961 marketings. The total net cost for wool support during the fiscal year was \$956,419.





Hogs - By Order in Council P.C. 1961-1847 of December 21st, 1961, the Board was authorized to continue support on a deficiency payment basis for hogs in the calendar year 1962 at a price to producers of \$23.65 per cwt. for Grade A carcasses, national basis. The individual producer eligibility limitation of 100 hogs was continued. This support price was approximately 88.8 per cent of the ten-year average or base producer price of \$26.64 per cwt. No payments were made to hog producers as the average market price received by them was above the support level.

Disposal of the board's stocks of canned pork continued. Sales of 13,030,277 pounds of canned luncheon meat at 16.17 cents per pound and 235,746 pounds of canned hams at 33.3 cents per pound were made for export to approved destinations. In both cases the prices were basis delivered Canadian seaboard. The Department of External Affairs acquired from the Board 1,995,570 pounds of canned luncheon meat for shipment to Hong Kong for disaster relief.

The total net cost resulting from the disposal of canned pork and hams during the year was \$7,527,960.

Turkeys - By Order in Council P.C. 1961-1845 of December 21st, 1961, the Board was authorized to continue to offer to purchase turkeys during the 1962 calendar year on the basis of live No. 1 turkeys weighing 10 to 20 pounds, delivered Toronto, at 20 cents per pound with appropriate differentials for other weights, grades and markets. No turkeys were offered to the Board under this program.

Eggs - In accordance with Order in Council P.C. 1961-1421 of October 2nd, 1961, which provided producers with a national average support price of 34 cents per dozen for Grade A Large eggs for the twelve months ending September 30th, 1962, a deficiency payment of 1 cent per dozen was made. Payments to producers under that year's program have totalled \$662,909. Outstanding costs of \$115 were also paid in respect of the 1959-60 program.

The same level of support was continued for the year ending September 30th, 1963 by Order in Council P.C. 1962-1368 of September 28th, 1962. Individual producer eligibility will continue to be limited to 400 dozen eggs.

Grains - No deficiency payments were required in respect of grains for the marketing year which ended June 30th, 1962.

For the marketing year commencing July 1st, 1962, supports were set for Ontario oats and barley at the mandatory level of 80 per cent of the ten-year average or base price and for wheat under Order in Council P.C. 1962-1028 of



July 18th, 1962, at 86 per cent of the base price. These prescribed prices, basis Ontario shipping points, were 56 cents per bushel for oats, 75 cents for barley and \$1.39 for wheat, all Canada Eastern No. 2 grade or better quality.

Sugar Beets - Under authority of Order in Council P.C. 1961-328 of March 9th, 1961, stabilization payments were made to growers in all producing provinces on the 1961 crop. The payments in Ontario were at the rate of approximately \$2.96 per standard ton for beets yielding 250 pounds of sugar, and in the other provinces at the rate of \$1.56 per standard ton. In addition to the Board's payment of \$2.96 to Ontario growers, an extra payment of 50 cents per ton was made to them on behalf of the Ontario Government and recovered from them.

The total cost to the Board for payments in respect of the 1961 crop was \$1,982,557.

Soybeans - Deficiency payments were not required to Ontario growers on soybeans in the year ended June 30th, 1962, for which a support price of \$2.13 per bushel had been authorized.

By Order in Council P.C. 1962-1029 of July 18th, 1962, the Board was authorized to support soybeans marketed in Ontario during the twelve months commencing July 1st, 1962, at a price of \$2.14 per bushel for Canada No. 2 grade or better quality, delivered at elevators. This support price is approximately 100 per cent of the ten-year average or base price.

Sunflower Seed - Incomplete returns indicate that a deficiency payment will not be required on sunflower seed in the marketing year ending July 31st, 1962, for which a support price of 4.15 cents per pound for Manitoba and Alberta combined had been prescribed.

By Order in Council P.C. 1962-1027 of July 18th, 1962, the Board was authorized to support sunflower seed sold for crushing in Manitoba during the twelve months ending July 31st, 1963, at a prescribed price of 4.22 cents per pound, basis Canada No. 1 grade, 10 per cent moisture, delivered at crusher. The Order also authorizes the Board to make a payment to producers in Alberta on the same basis per pound as may be applicable in Manitoba. This support price of 4.22 cents is approximately 100 per cent of the ten-year average or base price in Manitoba.

Extracted Honey - Under authority of Order in Council P.C. 1960-730 of May 26th, 1960, a deficiency payment of 1 cent per pound was made during the year to producers on extracted honey delivered to registered honey packers between July 1st, 1960 and June 30th, 1961. These payments totalled \$224,184.



Under authority of Order in Council P.C. 1961-998 of July 6th, 1961, a deficiency payment of 9/10 of a cent per pound was also authorized during the year to producers on extracted honey delivered to registered honey packers between July 1st, 1961 and June 30th, 1962. Payments made under this program up to the end of the fiscal year totalled \$146,637.

By Order in Council P.C. 1962-1026 of July 18th, 1962, the Board was authorized to continue support on extracted honey in the period July 1st, 1962 to June 30th, 1963, at a prescribed national average price to producers of 13 1/2 cents per pound, basis White No. 1 grade, delivered to honey packers. This level of support represents 100 per cent of the ten-year average or base price.

Potatoes - During the fiscal year, the Board completed the payments to producers in New Brunswick on their 1961 crop of potatoes.

The payments made during the 1962-63 year for potatoes delivered to starch factories authorized under P.C. 1961-1669 of November 23rd, 1961, totalled \$358,877 while those made for potatoes delivered for export authorized under P.C. 1962-184 of February 8th, 1962, totalled \$260,413. Other costs during the year in connection with this program were \$158.





General - During the fiscal year the Board held fifty-eight meetings and, in addition, met several times to receive delegations. Representatives of producer organizations and the agricultural industry groups met with the Board to seek consideration of proposals for price stabilization or to discuss buying and selling policies for products in which the Board was interested.

The Dairy Products Division of the Department of Agriculture was active in assisting the Board in carrying out the purchase and sales programs for dairy products. Officers of other commodity divisions assisted the Board with various programs in their particular fields, and the Economics Division assisted in preparing base price information and in making cost and price studies relative to products actually under support or being considered for support assistance.

In relation to the milk and butter subsidy programs and the deficiency payment programs for eggs, hogs and wool, the Board has provided staff and equipment within the Data Processing Service for handling registrations of producers, keeping marketing records, and preparing payment details as required.

Administration Costs - The administrative costs for the Board during the year 1962-63 were as follows:

Salaries	\$ 349,110.63
Overtime	1,006.33
Travelling Expenses	1,254.35
Freight, Express and Cartage	996.48
Telephones and Telegrams	685.95
Office Stationery, Supplies and Equipment	103,169.76
Sundries	5,144.36
TOTAL	<u>\$ 461,367.86</u>



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ANNUAL REPORT  
THE AGRICULTURAL STABILIZATION BOARD  
1963 - 64





THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT  
TO  
THE MINISTER OF AGRICULTURE  
FOR THE YEAR  
1963 - 64

Board Members:

S.B. Williams, Chairman  
S.J. Chagnon, Vice-Chairman  
S.C. Hudson, Member





ANNUAL REPORT 1963-64

THE AGRICULTURAL STABILIZATION BOARD

The total cost of the Agricultural Stabilization Board programs in the first five years of operation, ended March 31, 1963, by commodities, was as follows:

<u>Product</u>	<u>Net Cost of Programs</u>
1. Creamery Butter	\$ 53,913,869
2. Cheddar Cheese	2,803,858
3. Dry Skimmilk	15,353,703
4. Milk for Manufacturing	46,905,902
5. Eggs	11,032,273
6. Fowl	561,424
7. Hogs	66,790,583
8. Lambs	1,702,476
9. Wool	6,205,894
10. Tomatoes	183,130
11. Potatoes	1,388,404
12. Apples	768,374
13. Peaches	357,214
14. Raspberries	292,074
15. Asparagus	106,021
16. Soybeans	2,084,627
17. Sugar Beets	9,025,055
18. Sunflower Seed	44,377
19. Extracted Honey	<u>461,806</u>
TOTAL	<u>\$ 219,981,064</u>

In addition to the nine mandatory commodities, namely butter, cheddar cheese, eggs, hogs, cattle, sheep, and wheat, oats and barley (these three grains grown outside the area designated by the Canadian Wheat Board Act), provision was made by the Agricultural Stabilization Board during the 1963-64 fiscal year for the stabilization of honey, soybeans, sunflower seed, sugar beets and tobacco. Subsidies were provided for butterfat, milk for cheese, and for the manufacture of casein and caseinates.



Tabular summary of dollar value of operations during the fiscal year 1963-64 with the calculation of the net cost of each program based on production or support year

Product	Year	Inventory Value March 31, 1963	Purchases & Costs Added during year	Value of Sales during year	Inventory Value March 31, 1964	Net Cost or Payment during year
Creamery Butter	1958	2,017,310	81,178	574,325	nil	1,524,163
	1959	28,325,357	829,283	4,061,528	4,020,250	21,072,862
	1960	42,892,980	904,840	184,574	11,884,334	31,728,912
	1961	41,028,950	1,283,578	4,163,724	25,586,523	12,562,281
	1962	14,908,374	1,987,391	15,485,720	124,589	1,285,456
	1963	nil	38,453,524	17,982,191	18,475,599	1,995,734
Cheddar Cheese	1963	nil	7,743,779	6,966,364	nil	777,415
Dry Skimmilk	1959	266,501	4,739	107,686	nil	163,547
Pork	1959-60	10,172,109	183,962	2,254,607	1,333,776	6,767,688
Lamb	1961	nil	64	nil	nil	64
Subsidy & Deficiency Payments						
Butter Subsidy	1962-63	nil	3,436,822	nil	nil	3,436,822
Milk	1962-63	nil	1,162,505	nil	nil	1,162,505
Milk-Cheese	1963-64	nil	4,283,112	nil	nil	4,283,112
Milk-Butter	1963-64	nil	12,936,004	nil	nil	12,936,004
Cream	1963-64	nil	22,414,676	nil	nil	22,414,676
Casein	1963-64	nil	1,864,893	nil	nil	1,864,893
Sugar Beets	1961	nil	1,773	nil	nil	1,773
Wool	1961-62	nil	210	nil	nil	210
	1962-63	nil	28,813	nil	nil	28,813
	1963-64	nil	697,590	nil	nil	697,590
Honey	1960-61	nil	720	nil	nil	720
	1960-61	nil	75,139	nil	nil	75,139
Eggs	1959-60	nil	36	nil	nil	36
	1961-62	nil	3,514	nil	nil	3,514
	1963-64	nil	5,986	nil	nil	5,986
TOTALS		139,611,581	98,384,124	51,780,719	61,425,071	124,789,915



Details of the commodity programs are: as follows:

Creamery Butter - By Order in Council P.C. 1963-637 of April 26th, 1963, the Board was authorized to continue the support of Canada First Grade creamery butter 40-93 score or higher, from May 1st, 1963 for a period of twelve months, on the basis of 64 cents per pound Montreal. This price was approximately 105.5 per cent of the ten year average or base price of 60.62 cents per pound of butter.

During the year the Board purchased 71,713,555 pounds of butter and sold 74,414,241 pounds, as well as 16,545,912 pounds of butter oil. Sales were made on the basis of 52 cents per pound for First Grade butter delivered in Eastern Canada with an equivalent price on domestic sales of butter oil. 15,276,160 pounds of the butter oil were sold for export only at a price of 27 cents per pound at seaboard.

On November 5, 1963, the cold storage warehouse of the St. Denis Canning Company, St. Denis sur Richelieu, Quebec, was destroyed by fire. This warehouse held 1,389,920 pounds of butter and 5,189,022 pounds of butter oil, the property of the Agricultural Stabilization Board. Of the original storage 1,285,312 pounds of butter and 3,987,642 pounds of butter oil was totally destroyed. A portion of the balance was salvaged at a partial loss.

Including the revaluation of inventory to an estimated market value, the net support cost and fire loss on butter during the year was \$70,169,408.

Butter Subsidy - The balance of the 12-cent per pound subsidy payments to creamery butter manufacturers under the 1962-63 production year program amounted to \$3,436,822 which, in addition to payments of \$42,272,807 in the 1962-63 fiscal year, brought the total for that program to \$45,709,629.

Order in Council P.C. 1963-638 of April 26th, 1963, authorized the Board, effective May 1st, 1963, to make a payment on a butterfat basis on milk and cream delivered by producers to creameries and other plants and used for the manufacture of creamery butter, in order to provide producers with a return equivalent to 64 cents per pound for creamery butter. This authority limited payments to producers who did not normally deliver any portion of their milk or cream for sale in the fluid market, except in areas of British Columbia where milk is delivered for sale on a pool basis.





The subsidy payment on butterfat was established at 14.5 cents per pound which was equivalent to the previous payment of 12 cents per pound of butter. The butterfat subsidy for the fiscal year on milk used for creamery butter was \$12,936,004 and on cream \$22,414,676.

Cheddar Cheese - Order in Council P.C. 1963-639 of April 26th, 1963, authorized the Board to continue the support of Canada First Grade cheddar cheese for a period of twelve months from May 1st, 1963, on the basis of 32 1/2 cents per pound delivered Montreal and Belleville. This price was approximately 101 per cent of the ten year average or base price of 32.14 cents per pound.

The Board did not hold or acquire any cheese in storage during the year. A total of 23,827,513 pounds of cheese was exported to the United Kingdom during the year under the purchase and resale program at a total cost of \$777,415.

Order in Council P.C. 1963-640 of April 26th, 1963, authorized the Board to make a payment on milk delivered by producers to cheese factories for the manufacture of cheddar cheese only, such payment to be for a period of twelve months from May 1st, 1963. This subsidy was in the amount of 30 cents per hundredweight, or approximately 3.3 cents per pound, which provided cheddar cheese producers with a total of approximately 35.8 cents per pound, basis Montreal and Belleville. Payments during the fiscal year amounted to \$4,283,112.

Whole Milk for Processing - The balance of payments authorized by Order in Council P.C. 1962-948 of July 4, 1962 for the year ending April 30th, 1963, of 25 cents per hundredweight on milk used for processing was \$1,162,505. This additional amount brought total payments for the 1962-63 production year, the final year of this program, to \$13,085,983.

Casein and Caseinates - Order in Council P.C. 1963-703 of May 7th, 1963, authorized the Board to make a payment of 10 cents per pound on dried casein or caseinates for the benefit of producers of milk, the skimmilk portion of which was used for the manufacture of dried casein or caseinates only. This payment was effective for a twelve month period from May 1st, 1963. During the fiscal year the total cost of this program amounted to \$1,864,893.



Dry Skimmilk - In 1963-64 the Board sold the balance of its old stocks of skimmilk powder. This amounted to 1,817,727 pounds and was sold as feed grade for export only at a price of \$5.91 per hundredweight, basis in storage Toronto and Montreal. The Board's total cost in respect of the sale was \$163,547.

Cattle - The period of the support program for cattle was from April 1st, 1963, to March 31st, 1964. The ten year average, or base price, for "good" steers at Toronto was \$21.95 per hundredweight. Support at the 80 per cent mandatory level, amounted to \$17.55 per hundredweight, basis Toronto market, with appropriate differentials for other markets. As market prices remained above this level, no support payments were made.

Lambs - Order in Council P.C. 1963-837 of May 30th, 1963, authorized the Board to pay to producers of lambs of Good quality, or better, the amount by which the national average market price fell below the support price of \$18.80 per hundredweight, live weight, national basis for the twelve month period, April 1st, 1963, to March 31, 1964. This support price was 94.5 per cent of the base price, national basis, which was \$19.94 per hundredweight to producers. As the national average weighted market price to producers for the twelve month period ending March 31st, 1964, was \$19.91 per hundredweight, no payments were made under the support program. An outstanding account of \$64.00 from previous years was paid.

Wool - Order in Council P.C. 1963-836 of May 30th, 1963, authorized the Board to continue to support wool for the twelve month period commencing April 1st, 1963, at 60 cents per pound, basis average return for Western Choice 1/2 Blood and Eastern Domestic 1/4 Blood grades at Toronto. This level of support was approximately 135 per cent of the ten year average, or base price, of 44.3 cents per pound.

A deficiency payment of 14.3 cents per pound was made to those producers who had delivered a minimum of twenty pounds of eligible wool to a registered warehouse in the period April 1st, 1963, to March 31st, 1964. The total net amount paid for wool support during this fiscal year was \$726,613, of which \$29,023 was included from previous years programs.

Hogs - Order in Council P.C. 1962-1830 of December 20th, 1962, authorized the Board to continue supporting hogs on a deficiency payment basis in the calendar year 1963 at a price to producers of \$23.65 per





hundredweight for Grade A carcasses, national basis. The individual producer eligibility limitation of 100 hogs was continued. This support price was approximately 87.8 per cent of the ten year average, or base price, of \$26.94 per hundredweight to producers. Since the average market price to producers was above the support level no deficiency payment was made for the year.

During the year further sales were made of the Board's stocks of canned pork and canned hams. Sales of 4,383,328 pounds of canned pork luncheon meat at 16.17 cents per pound and 427,590 pounds of canned hams at 33.3 cents per pound were made for export to approved destinations. Prices were basis delivery Canadian seaboard. A donation of 5,628,294 pounds of canned pork luncheon meat was made to Greece, and 7,020 pounds of canned ham was donated for relief purposes in Brazil. These donations were made by the Department of External Affairs, who purchased them from the Board's stocks at the above-mentioned prices.

Including an inventory revaluation loss which was made during the year, the total net cost resulting from the disposal of canned pork and hams was \$6,767,688.

Eggs - Order in Council P.C. 1962-1368 of September 28th, 1962 authorized the payment to producers of the amount by which the price of 34 cents per dozen Canada Grade A Large eggs exceeded the price determined by the Board to be the average price at which such eggs are sold by producers during the period October 1st, 1962, to September 30th, 1963. Payments in respect of deliveries of each producer were limited to a maximum of 4,000 dozen Canada Grade A Extra Large, Grade A Large, and Grade A Medium eggs marketed annually.

Order in Council P.C. 1963-1758 of November 28th, 1963, authorized the continuation of the above support at the same level for the period October 1st, 1963, to September 30th, 1964.

Outstanding costs for the 1960 and 1961 programs and expenses in 1963-64 amounted to \$9,536.

Grains - There were no deficiency payments made for wheat, oats, or barley (grown outside the area designated by the Canadian Wheat Board Act) for the marketing year which ended June 30th, 1963.





Supports were set at the mandatory level of 80 per cent of the ten year average, or base price, for Ontario oats and barley for the marketing year commencing July 1st, 1963. Order in Council P.C. 1963-1661 of November 7th, 1963, set the support for wheat at 87 per cent of the base price. These prescribed prices, basis Ontario shipping points, were 55 cents per bushel for oats, 76 cents per bushel for barley, and \$1.39 per bushel for wheat, all Canada Eastern No. 2 grade or better quality.

Sugar Beets - Order in Council P.C. 1961-1846 of December 21st, 1961, authorized the payment to producers for sugar beets grown in 1962 and sold to sugar manufacturing plants, the equivalent of 1.22 cents per pound for each cent by which the average declared value of raw imported sugar, for the period September 1st, 1962, to August 31st, 1963, was less than 4.5 cents per pound. This support was to stabilize the price for sugar beets yielding 250 pounds of sugar per ton at a prescribed price of \$13.72 per ton, which price was approximately 106 per cent of the base price. There were no payments made under this program but the Board paid an outstanding account of \$1,773 which had been incurred in the previous year.

Soybeans - No deficiency payments were made to Ontario growers on soybeans for the year ended June 30th, 1963, for which a support price of \$2.14 per bushel had been authorized.

Order in Council P.C. 1963-835 of May 30th, 1963, authorized the Board to support soybeans marketed in Ontario during the twelve month period commencing July 1st, 1963, at a price of \$2.15 per bushel for Canada No. 2 grade or better quality, delivered at elevators. This support price is approximately 100 per cent of the base price.

Sunflower Seed - No payments were made on sunflower seed under the support provisions for the 1961-62 and 1962-63 production years as the prices received by producers were above the support levels of 4.15 cents and 4.22 cents per pound in the respective years.

Order in Council P.C. 1963-1064 of July 11th, 1963 authorized the Board to support sunflower seed sold for crushing in Manitoba during the twelve month period ending July 31st, 1964, at a prescribed price of 4.22 cents per pound, basis Canada No. 1 grade, 10 per cent moisture, delivered at crusher. The Order also authorized the Board to make a payment to producers in Alberta on the same basis per pound as may be applicable in Manitoba. The support price of 4.22 cents is approximately 100 per cent of the base price in Manitoba.



Extracted Honey - During the year the Board made further payments of \$720 on the 1960-61 support program and \$75,139 on the 1961-62 program. No payments were made on the 1962-63 program as the average return to producers was above the support level of 13 1/2 cents per pound of White No. 1 grade.

Order in Council P.C. 196301251 of August 31st, 1963, authorized the Board to continue to support extracted honey produced in Canada in the period July 1st, 1963, to June 30th, 1964, at a prescribed national average price to producers of 13 1/2 cents per pound, basis White No. 1 grade delivered to honey packers. This level of support is approximately 98 per cent of the base price.

Tobacco - Order in Council P.C. 1963-1611 of October 31st, 1963, authorized the Board to pay to producers of tobacco in Ontario on all grades of flue-cured tobacco other than Special Factored and Nondescript marketed from the 1963 crop, the equivalent of the amount by which the prescribed price of 47 cents per pound exceeds the average price received for the grades specified. The support price in this instance is approximately 90 per cent of the base price.

General - During the fiscal year the Board held thirty-seven meetings and, in addition, met a number of delegations. Representatives of producer organizations and the agricultural industry groups met with the Board to consider proposals for price stabilization or to discuss buying and selling policies for products in which the Board was interested.

The Dairy Products Division of the Department of Agriculture was active in assisting the Board in carrying out the purchase and sales programs for dairy products. Officers of other commodity divisions assisted the Board with various programs in their particular fields, and the Economics Division assisted in preparing base price information and in making cost and price studies relative to products actually under support or being considered for support assistance.

In relation to the milk and butter subsidy programs and the deficiency payment programs for eggs, hogs and wool, the Board has provided staff and equipment within the Data Processing Service for handling registrations of producers, keeping marketing records, and preparing payment details as required.



Administration Costs - The administrative costs for the Board during the year 1963-64 were as follows:

Salaries	\$ 267,490.29
Overtime	2,172.40
Travelling Expenses	3,880.49
Freight, Express and Cartage	498.95
Telephones and Telegrams	2,067.76
Office Stationery, Supplies and Equipment	82,515.33
Sundries	3,129.53

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TOTAL \$ 361,754.75

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ANNUAL REPORT

Canada. (THE) AGRICULTURAL STABILIZATION BOARD

1964 - 65





THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT  
TO  
THE MINISTER OF AGRICULTURE  
FOR THE YEAR  
1964 - 65

Board Members:

S. B. Williams, Chairman  
S. J. Chagnon, Vice-Chairman  
S. C. Hudson, Member



ANNUAL REPORT 1964-65

THE AGRICULTURAL STABILIZATION BOARD

Agricultural Stabilization Board costs to stabilize the prices of commodities during the first seven years of the program to March 31, 1965, were as follows:

	<u>Product</u>	<u>Net Cost of Programs</u>
1.	Butter	\$ 135,561,683
2.	Cheese	4,286,386
3.	Dry Skimmilk	15,517,250
4.	Casein	3,805,966
5.	Milk for Manufacturing	87,682,323
6.	Cream for Manufacturing	43,292,668
7.	Eggs	12,028,156
8.	Fowl	561,424
9.	Hogs	73,638,481
10.	Lamb	1,702,540
11.	Wool	7,485,297
12.	Tomatoes	183,130
13.	Potatoes	1,388,404
14.	Apples	768,374
15.	Peaches	357,214
16.	Raspberries	292,074
17.	Asparagus	106,021
18.	Soybeans	2,084,627
19.	Sugar Beets	9,026,828
20.	Sunflower Seed	44,377
21.	Honey	538,240
22.	Sour Cherries	300,401
TOTAL		<hr/> <hr/> \$ 400,651,864

The following are mandatory commodities under the Agricultural Stabilization Act: butter, cheddar cheese, eggs, hogs, cattle, sheep; and also wheat, oats and barley grown outside the area designated by the Canadian Wheat Board Act. In the 1964-65 fiscal year the following additional commodities were included under the price stabilization program: soybeans, sugar beets and sour cherries. Subsidies were provided for butterfat, First Grade cheddar cheese, and for the manufacture of casein and caseinates.



Tabular summary of dollar value of operations during the fiscal year 1964-65  
with the calculation of the net cost of each program based on  
production or support year

Product	Year	Inventory Value March 31, 1964	Purchases & Costs Added during year	Value of Sales during year	Inventory Value March 31, 1965	Net Cost or pay- ment dur- ing year
Butter	1958	nil	17,950	nil	nil	17,950
"	1959	4,020,250	292,559	4,173,711	73,309	65,789
"	1960	11,887,140	691,227	11,587,196	842,096	149,075
"	1961	25,586,523	806,891	18,248,331	346,177	7,798,906
"	1962	192,248	12,676	167,252	nil	37,672
"	1963	18,475,599	1,844,276	17,015,140	2,436,155	868,580
"	1964	nil	41,082,109	20,278,831	18,262,844	2,540,434
Cheese	1963	nil	3,861,018	3,503,228	nil	357,790
"	1964	nil	5,640,051	5,292,728	nil	347,323
Pork	1959-60	1,334,798	31,861	184,031	1,102,418	80,210
<u>Subsidy and Deficiency Payments</u>						
Milk	1962-63	nil	268	nil	nil	268
Cream	1963-64	nil	1,844,764	nil	nil	1,844,764
"	1964-65	nil	19,033,228	nil	nil	19,033,228
Milk - Butter	1963-64	nil	1,276,474	nil	nil	1,276,474
" "	1964-65	nil	13,342,330	nil	nil	13,342,330
Casein	1963-64	nil	130,310	nil	nil	130,310
"	1964-65	nil	1,810,763	nil	nil	1,810,763
Milk - Cheese	1963-64	nil	382,934	nil	nil	382,934
Cheese-1st Grade	1964-65	nil	3,955,972	nil	nil	3,955,972
Wool	1962-63	nil	1	nil	nil	1
"	1963-64	nil	1,409	nil	nil	1,409
"	1964-65	nil	551,380	nil	nil	551,380
Honey	1962-63	nil	575	nil	nil	575
Eggs	1961-62	nil	450	nil	nil	450
"	1963-64	nil	985,897	nil	nil	985,897
Sour Cherries	1964-65	nil	300,401	nil	nil	300,401
TOTALS		61,496,558	97,897,774	80,450,448	23,062,999	55,880,885





Details of commodity programs are as follows:

Butter - Order in Council P.C. 1964-617 of April 30, 1964, authorized the Board to continue to support Canada First Grade creamery butter 40-93 score or higher, from May 1, 1964, to April 30, 1965, on the basis of 64 cents per pound Montreal. This price was approximately 107 per cent of the base price or ten-year average.

During the fiscal year the Board purchased 86,030,420 pounds of butter and sold 132,613,870 pounds. In addition 55,707,371 pounds of butter oil was sold. First Grade butter delivered in Eastern Canada was sold on the basis of 53 cents per pound with an equivalent price applying on the domestic sales of butter oil. A total of 54,908,178 pounds of butter oil was sold for export only at 27 cents per pound at seaboard.

Butter Subsidy - Order in Council P.C. 1964-620 of April 30, 1964, authorized the Board as of May 1, 1964, to pay 13.3 cents per pound of butterfat on milk and cream delivered by producers to creameries and other plants for the manufacture of creamery butter. This butterfat payment was equivalent to 11 cents per pound of butter, and when added to the 53 cents per pound at which the Board offered to purchase creamery butter, was calculated to provide the producer with a return of 64 cents per pound of creamery butter. This authority limited payments to producers who did not normally deliver any portion of their milk or cream for sale in the fluid market, except in areas of British Columbia where milk was delivered for sale on a pool basis.

The butterfat subsidy on milk used for creamery butter in the fiscal year was \$14,618,804 and on cream used for this purpose the subsidy was \$20,877,992.

Cheese - Order in Council P.C. 1964-619 of April 30, 1964, authorized the Board to continue the support of Canada First Grade cheddar cheese for a twelve-month period from May 1, 1964, by an offer to purchase at 32.5 cents per pound, basis delivery Montreal and Belleville. This price was approximately 99 per cent of the base price, or ten-year average.

The Board did not hold or acquire any cheese in storage during the year. A total of 29,223,990 pounds of cheese was exported to the United Kingdom during the fiscal year under the purchase and resale program at a cost of \$705,113.

Order in Council P.C. 1964-618 of April 30, 1964, authorized the Board to make payments on milk delivered by producers to cheese factories for the manufacture of cheddar cheese only, in the period May 1, 1964 to April 30, 1965. These payments were in the amount of 3.6 cents per pound and were applicable only to Canada First Grade cheddar cheese. Payments with respect to this subsidy of the balance of the 1963-64 program totalled \$4,338,906 for the fiscal year.

Casein and Caseinates - Order in Council P.C. 1964-621 of April 30, 1964, authorized the Board to make a payment of 10 cents per pound on dried casein or caseinates for the benefit of producers of milk, the skim milk portion of which was used for the manufacture of dried casein or caseinates only. The total cost of this program for the fiscal year was \$1,941,073.

Cattle - Cattle support continued for the period April 1, 1964, to March 31, 1965, at the 80 per cent mandatory level of \$17.55 per hundredweight, basis Toronto, with appropriate differentials for other markets. Market prices for the year were higher on the average than the support level and no stabilization payments were made.



Lambs - Order in Council P.C. 1964-1947 of December 15, 1964, authorized the Board to pay to producers of lambs of Good quality, or better, the amount by which the national average market price might fall below the support level of \$18.80 per hundredweight, live weight, national basis, in the period April 1, 1964, to March 31, 1965. This support was approximately 95.2 per cent of the base price of \$19.74 per hundredweight paid to producers. Since the national average weighted market price to producers exceeded the support level no stabilization payments were made under this program.

Wool - Order in Council P.C. 1964-1948 of December 15, 1964, authorized the Board to continue to support wool for the period April 1, 1964, to March 31, 1965, at 60 cents per pound. This program applied to wool of all grades, except Rejects, which was produced in Canada and delivered to registered warehouses in Canada in the above-mentioned period. Payment was calculated as the amount by which 60 cents per pound exceeded the price determined by the Board to be the average market price to producers, f.o.b. Toronto, of representative grades during the period.

A deficiency payment of 12.3 cents per pound was made to producers with respect to the above-described program. This payment totalled \$551,380 and was made to approximately 27,000 producers.

Hogs - Order in Council P.C. 1964-263 of February 18, 1964, authorized the Board to continue to support hogs on a deficiency payment basis in the calendar year 1964 at a price to producers of \$23.65 per hundredweight, national basis, for Grade A carcasses. The Board also continued to place a limitation on any payments to a maximum of 100 hogs Grade A or B per farm unit. The support price was approximately 88.3 per cent of the ten-year average of \$26.77 paid to producers. The market price to producers was above the support level again this year and no deficiency payments were made.

For the year ended March 31, 1965, export sales of the Board's canned ham stocks to approved destinations were continued based on a price of 33.3 cents per pound, plus storage, delivered at seaboard. These sales amounted to 529,560 pounds. In the April 23, 1964, fire of Modern Cold Storage, Saskatoon, Saskatchewan, 184,950 pounds of canned ham was lost.

Eggs - Order in Council P.C. 1963-1758 of November 28, 1963, authorized the payment to producers of the amount by which the price of 34 cents per dozen Canada Grade A Large eggs exceeded the price determined by the Board to be the average price at which such eggs are sold by producers during the period October 1, 1963, to September 30, 1964. Individual payments were still restricted, as in previous years, to a maximum of 4,000 dozen Canada Grade A Extra Large, Grade A Large, and Grade A Medium eggs marketed annually.

The national average price under the above-mentioned program was calculated to be 32 cents per dozen which resulted in a deficiency payment to producers of 2 cents per dozen. Payments to March 31, 1965, amounted to \$985,897.

Order in Council P.C. 1964-1946 of December 15, 1964, authorized the continuation of the above support at the same level for the period October 1, 1964, to September 30, 1965.

Grains - There were no deficiency payments made with respect to wheat, oats or barley, grown outside the area designated by the Canadian Wheat Board Act, in the marketing year which ended June 30, 1964.





Supports were set at the mandatory level of 80 per cent of the ten-year average for each of these commodities. The prescribed prices, basis Ontario shipping points, were 56 cents per bushel for oats, 77 cents per bushel for barley, and \$1.28 per bushel for wheat, all Canada Eastern No. 2 Grade or better quality.

Sugar Beets - Order in Council P.C. 1963-312 of February 26, 1963, authorized the Board to make payments to sugar beet producers equivalent to 1.28 cents per pound of refined beet sugar for each cent by which the average declared value of imported raw sugar for the period September 17, 1963, to August 31, 1964, was less than 4.29 cents per pound. This support was to stabilize the price for sugar beets yielding 250 pounds of refined sugar per ton at a prescribed price of \$13.72 per ton, national basis, which price was approximately 109 per cent of the national ten-year average. The return for sugar beets was such that no deficiency payments were made under this program.

Soybeans - No deficiency payments were made to Ontario soybean growers for the year ended June 30, 1964, for which a support level of \$2 15 per bushel had been authorized.

Order in Council P.C. 1964-1056 of July 9, 1964, authorized the Board to continue the support of soybeans grown in Ontario during the period July 1, 1964, to June 30, 1965, at a price of \$2.15 per bushel for Canada No. 2 Grade or better quality, delivered at elevators. This support price was approximately 99 per cent of the base price.

Honey - During the year the Board made a further payment of \$575 for honey produced under the terms of the 1961-62 program.

When the honey support year ended on June 30, 1964, the existing favourable situation and outlook for this industry were reviewed and it was agreed not to renew the support program under the circumstances.

Sour Cherries - Order in Council P.C. 1964-1162 of July 30, 1964, authorized the Board to make a payment to producers of sour cherries in the Province of Ontario of 1.3 cents per pound on all sour cherries delivered to processors from the 1964 Ontario crop. This payment totalled \$300,401.

General - During the fiscal year the Board held thirty official meetings and, in addition, met with numerous delegations, representatives of producer organizations, and groups from the agricultural industry.

The Dairy Products Division of the Department of Agriculture was active in assisting the Board in carrying out the purchase and sales programs for dairy products. Officers of other commodity divisions assisted the Board with various programs in their particular fields, and the Economics Branch assisted in preparing base price information and in making cost and price studies relative to products actually being supported or being considered for support assistance.

For the milk, cheese and butter subsidy programs, and the deficiency payment programs for eggs, hogs and wool, the Board has provided staff and equipment within the Data Processing Service for handling registrations of producers, keeping marketing records, and preparing payment details as required.





Administration Costs - The administrative costs of the Board during the year 1964-65 were as follows:

Salaries	\$ 292,142.76
Overtime	3,037.74
Allowances	49.70
Travelling and Removal Expenses	3,099.55
Freight, Express and Cartage	273.58
Telephones and Telegrams	1,459.99
Office Stationery, Supplies and Equipment	72,514.49
Sundries	6,094.71

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TOTAL	\$ 378,672.52
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# ANNUAL REPORT

of the Agricultural Stabilization Board  
(1965-1966





THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT TO  
THE MINISTER OF AGRICULTURE  
FOR THE YEAR 1965-66

*Board Members*

S.B. Williams, Chairman

S.J. Chagnon, Vice-Chairman

S.C. Hudson, Member



ANNUAL REPORT 1965-66  
THE AGRICULTURAL STABILIZATION BOARD

Agricultural Stabilization Board costs to stabilize the prices of commodities during the first eight years of the program, to March 31st, 1966, were as follows:

<i>Product</i>	<i>Net Cost of Programs</i>
1. Butter	\$ 136,405,006
2. Cheese	5,351,878
3. Dry Skimmilk	15,517,250
4. Casein	3,973,099
5. Milk for Manufacturing	101,989,785
6. Cream for Manufacturing	57,965,244
7. Eggs	14,028,484
8. Fowl	561,424
9. Hogs	74,039,001
10. Lamb	1,702,540
11. Wool	8,084,714
12. Tomatoes	183,130
13. Potatoes	1,388,404
14. Apples	768,374
15. Peaches	357,214
16. Raspberries	292,074
17. Asparagus	106,021
18. Soybeans	2,084,627
19. Sugar Beets	13,059,829
20. Sunflower Seed	44,377
21. Honey	538,386
22. Sour Cherries	300,401
	<hr/>
	\$ 438,741,262

The following are mandatory commodities under the Agricultural Stabilization Act: butter, cheddar cheese, eggs, hogs, cattle, sheep; and also wheat, oats and barley grown outside the area designated by the Canadian Wheat Board Act. In the 1965-66 fiscal year sugar beets and manufacturing milk cream were included under the price stabilization program, and a subsidy was provided for butterfat.

In addition to supports under the Agricultural Stabilization Act, the government made supplementary payments to eligible milk and cream producers in 1965-66; which payments were calculated on the basis of 1964-65 deliveries to plants. Export assistance was also provided for named dairy products under authority of the Agricultural Products Board Act.





**Tabular summary of dollar value of operations during the fiscal year 1965-66  
with the calculation of the net cost of each program based on  
production or support year**

Product	Year	Inventory Value March 31, 1965	Purchases & Costs Added during year	Value of Sales during year	Inventory Value March 31, 1966	Net Cost or Payment during year
Butter	1959	73,309	5,425	84,329		-5,595*
"	1960	842,096	69,886	1,067,342	24,778	-180,138*
"	1961	346,176	14,186	378,548		-18,186*
"	1962		160	1		159
"	1963	2,436,155	111,427	2,489,808		57,774
"	1964	18,262,844	2,613,504	20,402,359		473,989
"	1965		39,155,546	33,363,100	5,277,125	515,321
Cheese	1963		45,604	41,394		4,210
"	1964		3,280,227	3,078,367		201,860
"	1965		7,519,855	6,660,433		859,422
Pork	1959-60	1,102,419	75,720	506,888	270,731	400,520
<i>Subsidy and Deficiency Payments</i>						
Cream - Butterfat	1964-65		1,565,284			1,565,284
" "	1965-66		13,107,291			13,107,291
Milk - Butterfat	1964-65		1,501,814			1,501,814
" "	1965-66		12,280,536			12,280,536
Casein	1964-65		167,133			167,133
Milk - Cheese	1964-65		525,112			525,112
Wool	1963-64		26			26
"	1964-65		50			50
"	1965-66		599,341			599,341
Honey	1961-62		60			60
"	1962-63		86			86
Eggs	1961-62		104			104
"	1963-64		19,800			19,800
"	1964-65		1,980,424			1,980,424
Sugar Beets	1965-66		4,033,001			4,033,001
TOTALS		23,062,999	88,671,602	68,072,569	5,572,634	38,089,398

\*Items marked ( - ) indicate a profit on operations.

The supplementary dairy payment which was administered by the Board, from funds provided by a separate vote of Parliament, totalled \$19,210,325 during the 1965-66 fiscal year.



Details of the Commodity programs are as follows:

Butter - Order in Council P.C. 1965-912 of May 20, 1965 authorized the Board to continue to support Canada First Grade Creamery butter 40-93 score or higher, from April 1, 1965 to March 31, 1966, on the basis of 64 cents per pound Montreal.

During the fiscal year, the Board purchased 65,033,914 pounds of butter and sold 102,913,554 pounds. In addition 4,815,072 pounds of butter oil was sold. First Grade butter delivered in Eastern Canada was sold on the basis of 55 cents per pound until December 31, 1965. On January 1, 1966, this selling price was raised to 57 cents for the balance of the dairy year. Equivalent prices applied on the domestic sales of butter oil. A total of 4,387,899 pounds of butter oil was sold for export only at 27 cents per pound at seaboard.

Butter Subsidy - Order in Council P.C. 1965-914 of May 20, 1965 authorized the Board to pay 10.9 cents per pound of butterfat on milk and cream delivered by producers to creameries and other plants for the manufacture of creamery butter. This was calculated to provide the producer with a return of 64 cents per pound of creamery butter. The authority limited payments to producers who did not normally deliver any portion of their milk or cream for sale in the fluid market, except in areas of British Columbia, and in other areas, as determined by the Board, where milk was delivered on a pool basis.

The butterfat subsidy paid on milk used for creamery butter in the fiscal year was \$13,782,350 and on cream used for this purpose the subsidy was \$14,672,575.

Supplementary Dairy Payments - These payments were not made under the Agricultural Stabilization Act but were authorized by Order in Council P.C. 1965-1306 of July 23, 1965 pursuant to Vote 17b of the Department of Agriculture set out in Schedule D of Appropriation Act No. 6, 1965.

Payments were made to eligible milk and cream producers as a supplement to the 1965-66 dairy support program. Calculations for this payment were based on deliveries made to plants in the 1964-65 production year in order to make payment as early as possible in the 1965-66 support year.

Payments were calculated on the unit basis of one hundredweight of milk at the rate of:

- (a) twenty-five cents per hundredweight for amounts up to 47,999 pounds;
- (b) twenty cents per hundredweights for amounts from 48,000 pounds up to 95,999 pounds; and
- (c) ten cents per hundredweight for amounts in excess of 95,999 pounds.

The 1965-66 supplementary dairy payment to eligible producers amounted to \$19,210,325.

Export Assistance - Dairy - Under the terms of the Agricultural Products Board Act, export assistance was provided for the following dairy products: dry skim milk powder, evaporated and condensed milk, dry whole milk and dry casein.



Details of this program are given in the 1965-66 Annual Report of the Agricultural Products Board Act.

Cheese - Order in Council P.C. 1965-913 of May 20, 1965, authorized the Board to continue the support of Canada First Grade cheddar cheese for the period of May 1, 1965 to March 31, 1966, by an offer to purchase at 35 cents per pound, basis delivery Montreal and Belleville. This price was approximately 104 per cent of the base price, or ten-year average.

The Board did not hold or acquire any cheese in storage during the year. A total of 31,369,370 pounds of cheese was exported to the United Kingdom and Caribbean ports during the fiscal year under the purchase and resale program at a cost of \$1,065,492.

Casein and Caseinates - Order in Council P.C. 1964-621 of April 30, 1964, authorized the Board to make a payment of 10 cents per pound on dried casein or caseinates for the benefit of producers of milk, the skim milk portion of which was used for the manufacture of dried casein or caseinates only. Payments made in 1965-66 which were carried over from this program totalled \$167,133.

Cattle - Cattle support continued for the period April 1, 1965, to March 31, 1966, at the 80 per cent mandatory level of \$17.85 per hundredweight, basis Toronto, with appropriate differentials for other markets. Market prices for the year were higher on the average than the support level and no stabilization payments were made.

Lambs - Order in Council P.C. 1965-1575 of August 25, 1965, authorized the Board to pay to producers of lambs of Good quality, or better, the amount by which the national average market price might fall below the support level of \$18.80 per hundredweight, live weight, national basis, in the period April 1, 1965, to March 31, 1966. This support was approximately 95 per cent of the base price of \$19.79 per hundredweight paid to producers. Since the national average weighted market price to producers exceeded the support level no stabilization payments were made under this program.

Wool - Order in Council P.C. 1965-1576 of August 25, 1965, authorized the Board to continue to support wool for the period April 1, 1965, to March 31, 1966, at 60 cents per pound. This program applied to wool of all grades, except Rejects, which was produced in Canada and delivered to registered warehouses in Canada in the above-mentioned period. Payment was calculated as the amount by which 60 cents per pound exceeded the price determined by the Board to be the average market price to producers, f.o.b. Toronto, of representative grades during the period.

A deficiency payment of 16.3 cents per pound was made to producers with respect to the above-described program. This payment totalled \$599,341 and was made to approximately 24,000 producers. An additional \$76 was paid on previous years' programs.

Hogs - Order in Council P.C. 1965-690 of April 14, 1965, authorized the Board to continue to support hogs on a deficiency payment basis in the calendar year 1965 at a price to producers of \$23.65 per hundredweight, national basis, for Grade A carcasses. The Board also continued to place a limitation on any payments to a maximum of 100 hogs Grade A or B per farm unit. The support price was approximately 89.4 per cent of the ten-year average of \$26.44 paid to producers. The market





price to producers was above the support level again this year and no deficiency payments were made.

For the year ended March 31, 1966, export sales of the Board's canned ham stocks to approved destinations were continued based on a price of 33.3 cents per pound, plus storage, delivered at seaboard. These sales amounted to 932,778 pounds. 2,160,054 pounds of canned hams were released for inspection, and approved product was sold domestically to packing plants at 18 cents per pound for reprocessing.

Eggs - Order in Council P.C. 1964-1946 of December 15, 1964, authorized the payment to producers of the amount by which the price of 34 cents per dozen Canada Grade A Large eggs exceeded the price determined by the Board to be the average price at which such eggs are sold by producers during the period October 1, 1964, to September 30, 1965. Individual payments were still restricted, as in previous years, to a maximum of 4,000 dozen Canada Grade A Extra Large, Grade A Large, and Grade A Medium eggs marketed annually.

The national average price under the above-mentioned program was calculated to be 29.7 cents per dozen which resulted in a deficiency payment to producers of 4.3 cents per dozen. Payments to March 31, 1966, amounted to \$1,980,424. The sum of \$19,904 was paid in connection with previous years' programs.

Order in Council P.C. 1966-524 of March 23, 1966, authorized the egg support program for the period October 1, 1965 to September 30, 1966. The Board was authorized to pay, on a deficiency basis, on a minimum of 500 dozen, and a maximum of 10,000 dozen Extra Large, Large and Medium Grade A eggs. The support price established was 34 cents for the first 4,000 dozen, and 31 cents for the next 6,000 dozen Canada Grade A Large eggs delivered by producers.

Grains - There were no deficiency payments made with respect to wheat, oats, or barley, grown outside the area designated by the Canadian Wheat Board Act, in the marketing year which ended June 30, 1965.

Supports were set at the mandatory level of 80 per cent of the ten-year average for each of these commodities. The prescribed prices, basis Ontario shipping points, were 56 cents per bushel for oats, 80 cents per bushel for barley, and \$1.32 per bushel for wheat, all Canada Eastern No. 2 Grade or better quality.

Sugar Beets - Order in Council P.C. 1964-815 of June 4, 1964, authorized the Board to make payments to sugar beet producers of 1.27 cents per pound of refined sugar for each cent (Canadian funds) that the average London Daily Price for raw sugar as published monthly by the International Sugar Council weighted by monthly domestic sales of beet sugar fell below \$4.32 per 100 pounds of raw sugar. This support was to stabilize the price for sugar beets yielding 250 pounds of refined sugar per ton at a prescribed price of \$13.72 per ton, national basis, which price was approximately 104 per cent of the national ten-year average. Deficiency payments in the amount of \$4,033,001 were made under this program.

Honey - During the year the Board made a further payment of \$146 for honey produced under the terms of the 1961-62 program.

General - During the fiscal year the Board held twenty-four official Board meetings and, in addition, met with numerous delegations, representatives of producer organizations, and groups from the agricultural industry.



The Dairy Products Division of the Department of Agriculture assisted the Board in carrying out the purchase and sales programs for dairy products. Officers of other commodity divisions assisted the Board with various programs in their particular fields, and the Economics Branch assisted in preparing base price information and in making cost and price studies relative to products actually being supported or being considered for support assistance.

The Board provided staff and equipment to the Data Processing Service for handling registrations of producers, maintaining marketing records, and preparing payment arrangements as required.

Administration Costs - The administrative costs of the Board during the year 1965-66 were as follows:

Salaries	\$ 274,740.16
Overtime	4,113.28
Allowances	47.08
Professional and Special Services	73,495.91
Travelling and Removal Expenses	2,481.85
Freight, Express and Cartage	669.89
Telephones and Telegrams	2,274.87
Office Stationery, Supplies and Equipment	18,179.10
Sundries	1,843.10
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TOTAL	\$ 377,845.24
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# ANNUAL REPORT

of the Agricultural Stabilization Board

## 1966-1967





THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT  
TO  
THE MINISTER OF AGRICULTURE  
FOR THE YEAR 1966-67

**Board Members:**

S.B. Williams, Chairman  
S.J. Chagnon, Vice-Chairman  
S.C. Hudson, Member





ANNUAL REPORT 1966-67  
THE AGRICULTURAL STABILIZATION BOARD

Agricultural Stabilization Board costs to stabilize the prices of commodities during the first nine years of the program, to March 31, 1967, were as follows:

<i>Product</i>	<i>Net Cost of Programs</i>
1. Butter	\$ 136,473,707
2. Cheese	6,699,609
3. Dry Skim milk	15,517,250
4. Casein	3,973,099
5. Milk for Manufacturing	155,196,288
6. Cream for Manufacturing	81,128,877
7. Eggs	14,048,273
8. Fowl	561,424
9. Hogs	74,089,800
10. Lamb	1,702,540
11. Wool	8,732,540
12. Tomatoes	183,130
13. Potatoes	1,388,404
14. Apples	768,374
15. Peaches	357,214
16. Raspberries	292,074
17. Asparagus	106,021
18. Soybeans	2,084,627
19. Sugar Beets	23,210,040
20. Sunflower Seed	44,377
21. Honey	538,386
22. Sour Cherries	300,401
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	\$ 527,396,455
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The following are mandatory commodities under the Agricultural Stabilization Act: butter, cheese, eggs, hogs, cattle, sheep; and also wheat, oats and barley grown outside the area designated by the Canadian Wheat Board Act. In the 1966-67 fiscal year sugar beets, manufacturing milk and cream, and surplus fluid milk, were also included under the Act.



Tabular summary of dollar value of operations during the fiscal year 1966-67  
with the calculation of the net cost of each program based on  
production or support year

Product	Year	Inventory Value March 31, 1966	Purchases & Costs Added During Year	Value of Sales During Year	Inventory Value March 31, 1967	Net Cost or Payment During Year
Butter	1960	24,778	3,191	28,154		185*
"	1961		2,029			2,029
"	1964		14,929			14,929
"	1965	5,277,125	358,882	5,755,361		119,354*
"	1966		36,883,138	34,661,186	2,050,670	171,282
Cheese	1964		5,011	4,747		264
"	1965		4,088,368	3,636,168		452,200
"	1966		8,505,016	7,609,749		895,267
Pork	1959-60	270,731	34,401	254,333		50,799
<i>Subsidy and Deficiency Payments</i>						
Cream - Butterfat	1965-66		27,575			27,575
Milk - Butterfat	1965-66		426,908			426,908
<i>1966-67 Dairy Program</i>						
Manufacturing Milk			46,873,656			46,873,656
Cream			23,124,888			23,124,888
Fluid Milk			5,905,939			5,905,939
Fluid Cream			11,170			11,170
Wool	1965-66		75,263			75,263
"	1966-67		572,563			572,563
Eggs	1959-60		26			26
"	1961-62		68			68
"	1963-64		3,310			3,310
"	1964-65		16,385			16,385
Sugar Beets	1965		6,843,898			6,843,898
" "	1966		3,306,313			3,306,313
TOTALS		5,572,634	137,082,927	51,949,698	2,050,670	88,655,193

\*Indicates a profit on operations.

The 1965-66 supplementary dairy payment administered by the Board, from funds provided by a separate vote of Parliament, totalled \$351,292. This expenditure was a carry-over from the previous year's program.



Details of the Commodity programs are as follows:

Butter - Order-in-Council P.C. 1966-712 of April 25, 1966, authorized the Board to support Canada First Grade creamery butter 40-93 score or higher, from April 1, 1966, to March 31, 1967, on the basis of 59 cents per pound Montreal.

During the fiscal year, the Board purchased 63,194,799 pounds of butter and sold 69,135,732 pounds. In addition, 96,787 pounds of butter oil were sold. This was the balance of the Board's holdings of butter oil. First Grade butter delivered in Eastern Canada was sold on the basis of 59 cents per pound until September 7, 1966. On this date, the selling price was raised to 61 cents for the remainder of the dairy year.

Manufacturing Milk and Cream Price Stabilization - Order-in-Council P.C. 1966-836 of May 13, 1966, as amended by P.C. 1966-1707 of September 8, 1966, authorized the Board to make payments to producers delivering manufacturing milk and cream, and surplus fluid milk, to plants. Payments were based on one hundred pounds of milk containing 3.5 per cent butterfat, and amounted to 75 cents plus the amount, as determined by the Board by which 10 cents exceeded the weighted average loss per hundred pounds of milk incurred by the Board and the Agricultural Products Board in assisting the export of dairy products. Payments on surplus fluid milk were reduced by a weight equivalent to 120 per cent of the weight delivered upon which the producer received fluid milk prices.

As this program progressed, direct payments to registered producers were made on a monthly basis according to records of their shipments received from their plants. Expenditures to March 31, 1967, for dairy assistance to producers under this program amounted to \$75,915,653.

Butter Subsidy - Order-in-Council P.C. 1965-914 of May 20, 1965, authorized the Board to pay 10.9 cents per pound of butterfat on milk and cream delivered by producers to creameries and other plants for the manufacture of creamery butter. This was calculated to provide the producer with a return of 64 cents per pound of creamery butter. The authority limited payments to producers who did not normally deliver any portion of their milk or cream for sale in the fluid market, except in areas of British Columbia, and in other areas, as determined by the Board, where milk was delivered on a pool basis.

The butterfat subsidy paid on milk used for creamery butter in the fiscal year was \$426,908, and on cream used for this purpose the subsidy was \$27,575. These expenditures were carried over from the 1965-66 dairy assistance program.

Supplementary Dairy Payments - These payments were not made under the Agricultural Stabilization Act but were authorized by Order-in-Council 1965-1306 of July 23, 1965, pursuant to Vote 17b of the Department of Agriculture set out in Schedule D of Appropriation Act No. 6, 1965.

Payments were made to eligible milk and cream producers as a supplement to the 1965-66 dairy support program. Calculations for this payment were based on deliveries made to plants in the 1964-65 production year in order to make payment as early as possible in the 1965-66 support year.





Payments were calculated on the unit basis of one hundredweight of milk at the rate of:

- (a) twenty-five cents per hundredweight for amounts up to 47,999 pounds;
- (b) twenty cents per hundredweight for amounts from 48,000 pounds up to 95,999 pounds; and
- (c) ten cents per hundredweight for amounts in excess of 95,999 pounds.

The additional supplementary dairy payments to eligible producers carried over from the 1965-66 program amounted to \$351,292.

Export Assistance - Dairy - Under the terms of the Agricultural Products Board Act, export assistance was provided for the following dairy products: dry skimmilk powder, evaporated and condensed milk, dry whole milk and dry casein. Details of this program are given in the 1966-67 Annual Report of the Agricultural Products Board Act.

Cheese - Order-in-Council P.C. 1967-713 of April 25, 1966, authorized the Board to continue the support of Canada First Grade cheddar cheese for the period April 1, 1966, to March 31, 1967, by an offer to purchase at 38 cents per pound, basis delivery Montreal and Belleville. This price was approximately 109 per cent of the base price, or ten-year average.

The Board did not hold or acquire any cheese in storage during the year. A total of 31,124,929 pounds of cheese was exported to the United Kingdom and Caribbean ports during the fiscal year under the purchase and resale program at a cost of \$1,347,731.

Cattle - Cattle support continued for the period April 1, 1966, to March 31, 1967, at the 80 per cent mandatory level of \$18.19 per hundredweight, basis Toronto, with appropriate differentials for other markets. Market prices for the year were higher on the average than the support level and no stabilization payments were made.

Lambs - Order-in-Council P.C. 1966-1088 of June 9, 1966, authorized the Board to pay to producers of lambs of Good quality, or better, the amount by which the national average market price might fall below the support level of \$18.80 per hundredweight, live weight, national basis, in the period April 1, 1966, to March 31, 1967. This support was approximately 92.2 per cent of the base price of \$20.38 per hundredweight paid to producers. Since the national average weighted market price to producers exceeded the support level, no stabilization payments were made under this program.

Wool - Order-in-Council P.C. 1966-1089 of June 9, 1966, authorized the Board to continue to support wool for the period April 1, 1966, to March 31, 1967, at 60 cents per pound. This program applied to wool of all grades, except Rejects, produced in Canada and delivered to registered warehouses in Canada in the above-mentioned period. Payment was calculated as the amount by which 60 cents per pound exceeded the price determined by the Board to be the average market price to producers, f.o.b. Toronto, of representative grades during the period.



A deficiency payment of 18.3 cents per pound was made to producers with respect to the above-described program. This payment totalled \$572,563 and was made to approximately 17,250 producers. An additional \$75,263 was paid on the previous year's programs.

Hogs - Since hog prices continued to be strong, the support program for the 1966 calendar year was at the 80 per cent mandatory level. This level amounted to \$21.78, national basis, for Grade A carcasses and was subject to the inauguration of a more realistic support program if the market changed at some later date within the year.

The market price to producers was well above the support level again during 1966 and no deficiency payments were made.

Sales of the Board's canned ham stocks continued, and as of March 31, 1967, no stocks of canned ham, or canned pork luncheon meat, remained on the Board's inventory. Board costs during the year for storage, transportation and final disposal of inventory amounted to \$50,799.

Eggs - Order-in-Council P.C. 1966-524 of March 23, 1966, authorized the egg support program for the period October 1, 1965, to September 30, 1966. The Board was authorized to pay, on a deficiency basis, on a minimum of 500 dozen, and a maximum of 10,000 dozen Extra Large, Large and Medium Grade A egg. The support price established was 34 cents for the first 4,000 dozen, and 31 cents for the next 6,000 dozen Canada Grade A Large eggs delivered by producers.

The Board determined that the weighted national average price received by producers for Canada Grade A Large eggs was above the support level and no deficiency payments were made for the 1965-66 egg year.

Order-in-Council P.C. 1967-207 of February 2, 1967, authorized the egg support level for the period October 1, 1966, to September 30, 1967. This program continued to be on a deficiency basis and applied to a minimum of 1,000 dozen and a maximum of 10,000 dozen Canada Grade A Extra Large, Canada Grade A Large, and Canada Grade A Medium eggs marketed in the period. The established support price was 34 cents per dozen Grade A Large eggs delivered by producers.

The sum of \$19,789 was paid to producers in 1966-67 in connection with previous year's egg support programs.

Grains - There were no deficiency payments made with respect to wheat, oats, or barley, grown outside the area designated by the Canadian Wheat Board Act, in the marketing year which ended June 30, 1966.

Supports were set at the mandatory level of 80 per cent of the ten-year average for each of these commodities. The prescribed prices, basis Ontario shipping points, were 57 cents per bushel for oats, 83 cents per bushel for barley, and \$1.34 per bushel for wheat, all Canada Eastern No. 2 Grade or better quality.



Sugar Beets - Order-in-Council P.C. 1965-430 of March 12, 1965, authorized the Board to make a payment to producers for sugar beets delivered by them to refineries during the period September 1, 1965, to August 31, 1966, in accordance with such terms and conditions as may be prescribed by the Board, of 1.17 cents per pound of refined sugar for each cent (Canadian funds) that the average London Daily Price for raw sugar as published monthly by the International Sugar Council weighted by monthly domestic sales of beet sugar fell below \$4.87 per 100 pounds of raw sugar. The support was to stabilize the price for sugar beets yielding 250 pounds of refined sugar per ton at a prescribed price of \$14.35 per ton, which was approximately 104 per cent of the national ten-year average. Deficiency payments in the amount of \$6,843,898 were made under this program.

Order-in-Council P.C. 1966-2276 of November 11, 1966, authorized the Board to make payments to producers delivering sugar beets in the period September 1, 1966, to August 31, 1967, for the purpose of stabilizing the price of sugar beets at a prescribed price of \$14.35 per standard ton. This price was approximately 105 per cent of the national ten-year average. Calculations were to be as determined by the Board and with reference to the London Daily Price and a schedule appended to Order-in-Council P.C. 1966-2276. Interim, or advance payments to producers per standard ton were authorized on the 1966 sugar beet crop. By the end of the fiscal year, March 31, 1967, the sum of \$3,306,313 had been advanced to producers against the final estimated deficiency payment on this crop.

Order-in-Council P.C. 1967-441 of March 10, 1967, authorized the Board to make payments to producers delivering sugar beets in the period September 1, 1967, to August 31, 1968, for the purpose of stabilizing the price of sugar beets at a prescribed price of \$15.50 per standard ton. This price was approximately 114 per cent of the national ten-year average. Provision for interim payments, and methods of calculation according to a schedule appended to the Order-in-Council, were similar to those applying to the previous year's sugar beet support program.

General - During the fiscal year the Board held thirty official Board meetings and, in addition, met with numerous delegations, representatives of producer organizations, and groups from the agricultural industry.

The Dairy Products Division of the Department of Agriculture assisted the Board in carrying out the purchase and sales programs for dairy products. Officers of other commodity divisions assisted the Board with various programs in their particular fields, and the Economics Branch assisted in preparing base price information and in making cost and price studies relative to products actually being supported or being considered for support assistance.

The Board provided staff and equipment to the Data Processing Service for handling registrations of producers, maintaining marketing records, and preparing payment arrangements as required.





Administration Costs - The administrative costs of the Board during the year 1966-67 were as follows:

Salaries	\$ 33,335.86
Casuals	330,137.97
Overtime	4,570.65
Allowances	80.48
Travelling & Removal Expenses	5,039.84
Freight, Express & Cartage	212.52
Telephones & Telegrams	2,649.73
Office Stationery, Supplies & Equipment	10,877.57
Sundries	4,358.16
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Total	\$ 391,262.78
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# ANNUAL REPORT

of the Agricultural Stabilization Board

## 1967-1968





THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT  
TO  
THE MINISTER OF AGRICULTURE  
FOR THE YEAR  
1967-1968

Board Members:

S.B. Williams, Chairman  
S.J. Chagnon, Vice-Chairman  
W.E. Jarvis, Member



## ANNUAL REPORT 1967-68

## THE AGRICULTURAL STABILIZATION BOARD

Agricultural Stabilization Board costs to stabilize the prices of commodities during the first ten years of the program, to March 31, 1968, were as follows:

<u>Product</u>	<u>Net Cost of Programs</u>
1. Butter	\$ 136,433,550
2. Cheese	7,234,336
3. Dry Skimmilk	15,517,250
4. Casein	3,973,099
5. Milk for Manufacturing	160,964,744
6. Cream for Manufacturing	83,054,643
7. Eggs	14,061,819
8. Fowl	561,424
9. Hogs	74,147,434
10. Lamb	1,702,540
11. Wool	9,676,198
12. Tomatoes	183,130
13. Potatoes	3,854,555
14. Apples	768,374
15. Peaches	357,214
16. Raspberries	292,074
17. Asparagus	106,021
18. Soybeans	2,084,627
19. Sugar Beets	28,648,497
20. Sunflower Seed	44,377
21. Honey	538,386
22. Sour Cherries	300,401
Transferred to Canadian Dairy Commission	124,113,982
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	\$ 668,618,675
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The following are mandatory commodities under the Agricultural Stabilization Act: butter, cheese, eggs, hogs, cattle, sheep; and also wheat, oats and barley grown outside the area designated by the Canadian Wheat Board Act. In the 1967-68 fiscal year sugar beets, manufacturing milk and cream, and potatoes, were also included under the Act. Funds for the support of dairy products were transferred by the Board to the Canadian Dairy Commission for the actual administration of the dairy price stabilization program. Such funds amounted to \$124,113,982 in 1967-68, and are included in the above table as a separate item.





Tabular summary of dollar value of operations during the fiscal year 1967-68 with the calculation of the net cost of each program based on production or support year

Product	Year	Inventory Value March 31, 1967	Purchases & Costs Added During Year	Value of Sales During Year	Inventory Value March 31, 1968	Net Cost or Payment During Year
Butter	1960		841			841
"	1965		1,461			1,461
"	1966	2,050,670	120,613	2,213,742		42,459+
Cheese	1964		3,989	3,710		279
"	1965		15,554	13,379		2,175
"	1966		3,806,072	3,273,799		532,273
Pork	1959-1960		3	54,540 Dr.		54,543
<u>Subsidy and Deficiency Payments</u>						
1966-67 Dairy Program						
Manufacturing Milk			4,785,107			4,785,107
Cream			1,918,604			1,918,604
Fluid Milk			983,349			983,349
Fluid Cream			7,162			7,162
Wool	1965-1966		127 Cr.			127+
"	1966-1967		44,074			44,074
"	1967-1968		899,711			899,711
Eggs	1963-1964		29			29
"	1964-1965		73 Cr.			73+
"	1967-1968		13,590			13,590
Potatoes	1966		2,466,151			2,466,151
Sugar Beets	1965		103 Cr.			103+
"	1966		2,495,048			2,495,048
"	1967		2,943,512			2,943,512
Transfers to Canadian Dairy Commission 1967-68			124,113,982			124,113,982
TOTALS		2,050,670	144,618,549	5,450,090		141,219,129

\* Indicates a profit on operations.



Details of the Commodity programs are as follows:

Dairy Products - Order-in-Council P.C. 1967-1113 of June 1, 1967, as amended by Order-in-Council P.C. 1968-575 of March 21, 1968, authorized the Agricultural Stabilization Board to make payments to the Canadian Dairy Commission with respect to the period April 1, 1967 to March 31, 1968, to stabilize the price of milk as prescribed for the benefit of producers of manufacturing milk and cream as follows:

- (a) the amounts required to reimburse the Canadian Dairy Commission for the cost incurred by it during that period
  - (i) in storing, handling and shipping dairy products acquired by it, and
  - (ii) for the interest on loans for storing, handling, shipping and acquisition of such products;
- (b) the amounts paid by the Commission during that period, not in excess of \$250,000, for providing information to producers in respect of the program; and
- (c) \$120,400,000.

The total amount transferred to the Canadian Dairy Commission by the Board in 1967-68 was \$124,113,982. Further details of the dairy support programs may be found in the annual Report of the Canadian Dairy Commission.

Records indicate that the Board held approximately 4,730,672 pounds of butter on April 1, 1967 when the administration of dairy programs was officially turned over to the Commission. This butter was all sold during the year.

Cattle - Cattle support continued for the period April 1, 1967, to March 31, 1968, at the 80 per cent mandatory level which was \$18.75 per hundredweight, basis Toronto, with appropriate differentials for other markets. Market prices for the year were higher on the average than the support level and no stabilization payments were made.

Lambs - Order-in-Council P.C. 1967-1682 of August 30, 1967, authorized the Board to pay to producers of lambs of Good quality, or better, the amount by which the national average market price might fall below the support level of \$18.80 per hundredweight, live weight, national basis, in the period April 1, 1967, to March 31, 1968. This support was approximately 92.3 per cent of the base price of \$20.36 per hundredweight paid to producers. Since the national average weighted market price to producers exceeded the support level, no stabilization payments were made under this program.

Wool - Order-in-Council P.C. 1967-1683 of August 30, 1967, authorized the Board to continue to support wool for the period April 1, 1967, to March 31, 1968, at 60 cents per pound. This program applied to wool of all grades, except Rejects, produced in Canada and delivered to registered warehouses in Canada in the above-mentioned period. Payment was calculated as the amount by which 60 cents per pound exceeded the price determined by the Board to be the average market price to producers, f.o.b. Toronto, of representative grades during the period.



A deficiency payment of 27.9 cents per pound was made to producers with respect to the above-described program. This payment totalled \$899,711 and was made to approximately 18,000 producers. An additional \$44,074 was paid on the previous year's program.

Hogs - Since hog prices continued to be strong, the support program for the 1967 calendar year was at the 80 per cent mandatory level. This level amounted to \$22.63, national basis, for Grade A carcasses and was subject to the inauguration of a more realistic support program if the market changed at some later date within the year.

The market price to producers was well above the support level again during 1967 and no deficiency payments were made.

Eggs - Order-in-Council P.C. 1967-207 of February 2, 1967, authorized the egg support level for the period October 1, 1966, to September 30, 1967. This program continued to be on a deficiency basis and applied to a minimum of 1,000 dozen and a maximum of 10,000 dozen Canada Grade A Extra Large, Canada Grade A Large, and Canada Grade A Medium eggs marketed in the period. The established support price was 34 cents per dozen Grade A Large eggs delivered by producers.

The Board determined that the weighted national average price received by producers for Canada Grade A Large eggs was above the support level and no deficiency payments were made for the 1966-67 egg year.

The sum of \$13,590 was spent in 1967-1968 in connection with the administration of egg support programs.

Grains - There were no deficiency payments made with respect to wheat, oats, or barley, grown outside the area designated by the Canadian Wheat Board Act, in the marketing year which ended June 30, 1967.

Supports were set at the mandatory level of 80 per cent of the ten-year average for each of these commodities. The prescribed prices, basis Ontario shipping points, were 58 cents per bushel for oats, 88 cents per bushel for barley, and \$1.37 per bushel for wheat, all Canada Eastern No. 2 Grade or better quality.

Sugar Beets - Order-in-Council P.C. 1966-2276 of November 11, 1966, authorized the Board to make payments to producers delivering sugar beets in the period September 1, 1966, to August 31, 1967, for the purpose of stabilizing the price of sugar beets at a prescribed price of \$14.35 per standard ton. This price was approximately 105 per cent of the national ten-year average. Calculations were to be as determined by the Board and with reference to the London Daily Price and a schedule appended to Order-in-Council P.C. 1966-2276. Interim, or advance payments to producers per standard ton were authorized on the 1966 sugar beet crop. By the end of the fiscal year, March 31, 1967, the sum of \$3,306,313 had been advanced to producers against the final estimated deficiency payment on this crop. A final payment of \$2,495,048 was made later to producers.





Order-in-Council P.C. 1967-441 of March 10, 1967, authorized the Board to make payments to producers delivering sugar beets in the period September 1, 1967, to August 31, 1968, for the purpose of stabilizing the price of sugar beets at a prescribed price of \$15.50 per standard ton. This price was approximately 114 per cent of the national ten-year average. Provision for interim payments, and methods of calculation according to a schedule appended to the Order-in-Council, were similar to those applying to the previous year's sugar beet support program. By March 31, 1968, \$2,943,512 had been advanced to producers against the final deficiency estimated for their 1967 crop.

Potatoes - Order-in-Council P.C. 1967-892 of May 4, 1967 as amended by P.C. 1967-1071 of June 1, 1967 authorized the Board, for the purpose of stabilizing the price of potatoes, to make payments to producers, and for the benefit of producers of potatoes delivered from the 1966 crop after March 31, 1967 as follows:

- (a) where used for starch manufacture
  - (i) \$1.20 per barrel for potatoes delivered during March and April 1967, and
  - (ii) \$1.25 per barrel for potatoes delivered on or after May 1, 1967.
- (b) where used for livestock feed uses approved by the Board, 75 cents per hundredweight; and
- (c) where used for provincial disposal programs meeting conditions approved by the Board, 50 cents per hundredweight.

Payments were made on potatoes meeting grade standards specified by the Board with quantity limitations.

Applications were received from six provinces and federal assistance to producers amounted to \$2,466,151 for this program.

General - During the fiscal year the Board held twenty-four official Board meetings and, in addition, met with numerous delegations, representatives of producer organizations, and groups from the agricultural industry.

Officers of commodity divisions assisted the Board with various programs in their particular fields, and the Economics Branch assisted in preparing base price information and in making cost and price studies relative to products actually being supported or being considered for support assistance.

The Board provided staff assistance and equipment for the Canadian Dairy Commission to handle registrations and producer quotas, the maintaining of marketing records, and the preparation of payment arrangements as required.





Administration Costs - The administrative costs of the Board during the year 1967-68 were as follows:

Salaries	\$ 33,773.98
Allowances	2.88
Professional and Special	1,057.26
Travel	2,668.99
Freight, Express & Cartage	94.85
Telephones and Telegrams	3,552.81
Office Stationery, Supplies & Equipment	10,387.90
Sundries	4,058.46
Overtime	1,757.79
Casuals	368,870.66
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Total	\$ 426,225.58
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# ANNUAL REPORT

of the Agricultural Stabilization Board

## 1968-1969





THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT  
TO  
THE MINISTER OF AGRICULTURE  
FOR THE YEAR  
1968-1969

Board Members:

S.B. Williams, Chairman  
R. Poirier, Member  
W.E. Jarvis, Member





## ANNUAL REPORT 1968-69

## THE AGRICULTURAL STABILIZATION BOARD

Agricultural Stabilization Board costs to stabilize the prices of commodities during the first 11 years of the program, to March 31, 1969, were as follows:

<u>Product</u>	<u>Net Cost of Programs</u>
1. Butter	\$ 136,433,550
2. Cheese	7,240,183
3. Dry skimmilk	15,517,250
4. Casein	3,973,099
5. Milk for manufacturing	160,964,395
6. Cream for manufacturing	83,057,482
7. Fluid milk	6,890,594
8. Fluid cream	18,319
9. Eggs	14,202,754
10. Fowl	561,424
11. Hogs	74,147,434
12. Lamb	1,702,540
13. Wool	10,429,287
14. Tomatoes	183,130
15. Potatoes	6,347,317
16. Apples	768,374
17. Peaches	357,214
18. Raspberries	292,074
19. Asparagus	106,021
20. Soybeans	2,084,627
21. Sugar beets	34,316,923
22. Sunflower seed	44,377
23. Honey	538,386
24. Sour cherries	300,401
Transferred to Canadian Dairy Commission	<u>258,957,066</u>
	<u>\$ 812,536,601</u>

The following are mandatory commodities under the Agricultural Stabilization Act: butter, cheese, eggs, hogs, cattle, sheep; and also wheat, oats and barley grown outside the area designated by the Canadian Wheat Board Act. In the 1968-69 fiscal year sugar beets, manufacturing milk and cream, and potatoes, were also included under the Act. Funds for the support of dairy products were transferred by the Board to the Canadian Dairy Commission for the administration of the dairy price stabilization program. Such funds amounted to \$134,843,084 in 1968-69, and are included in the last item of the above table.



Tabular summary of dollar value of operations during the fiscal year 1968-69  
with the calculation of the net cost of each program based on  
production or support year

Product	Year	Purchases & costs added during year	Value of sales during year	Net cost or payment during year
Cheese	1966	\$ 41,806	\$ 35,959	\$ 5,847
<u>Subsidy and Deficiency Payments</u>				
1966-67 Dairy program				
Manufacturing milk		349 Cr.		349*
Cream		2,839		2,839
Fluid milk		1,306		1,306
Fluid cream		13 Cr.		13*
Wool	1966-67	15		15
"	1967-68	97,247		97,247
"	1968-69	665,827		665,827
Eggs	1967-68	140,935		140,935
Potatoes	1966	438		438
"	1967	2,492,324		2,492,324
Sugar beets	1965	14 Cr.		14*
"	1967	3,381,612		3,381,612
"	1968	2,286,828		2,286,828
Transfer to Canadian Dairy Commission	1968-69	134,843,084		134,843,084
Loss carried forward from 1967-68		1,476,129		1,476,129
TOTALS		\$ 145,430,014	\$ 35,959	\$ 145,394,055

\* Indicates a profit on operations.



Details of the commodity programs are as follows:

Dairy Products - Order-in-Council P.C. 1968-1019 of May 29, 1968, authorized the Agricultural Stabilization Board to make payments to the Canadian Dairy Commission for the period April 1, 1968, to March 31, 1969, in the aggregate amount of \$134,845,000, to stabilize the price of milk as prescribed for the benefit of producers of manufacturing milk and cream.

The total amount transferred to the Canadian Dairy Commission by the Board in 1968-69 was \$134,843,084. Further details of the dairy support programs may be found in the Annual Report of the Canadian Dairy Commission.

Cattle - Cattle support continued for the period April 1, 1968, to March 31, 1969, at the 80 percent mandatory level, which was \$19.44 per hundredweight, basis Toronto, with appropriate differentials for other markets. Market prices for the year were higher on the average than the support level and no stabilization payment were made.

Lambs - Order-in-Council P.C. 1968-1113 of June 5, 1968, authorized the Board to pay to producers of lambs of Good quality, or better, the amount by which the national average market price might fall below the support level of \$18.80 per hundredweight, live weight, national basis, in the period April 1, 1968 to March 31, 1969. This support was approximately 91.4 percent of the base price of \$20.56 per hundredweight. Since the national average weighted market price to producers exceeded the support level, no stabilization payments were made under this program.

Wool - Order-in-Council P.C. 1968-1117 of June 6, 1968 authorized, the Board to support wool for the period April 1, 1968, to March 31, 1969, at 60 cents per pound. This program applied to wool of all grades, except Rejects, produced in Canada and delivered to registered warehouses in Canada in the above-mentioned period. Payment was calculated as the amount by which 60 cents per pound exceeded the price determined by the Board to be the average market price to producers, f.o.b. Toronto, of representative grades during the period.

Under this program, a deficiency payment of 29.4 cents per pound of eligible wool was made in 1968-69 to producers. The payments totaled \$665,827 in the fiscal year. An additional \$97,262 was paid on previous years' programs.

Hogs - Since hog prices continued to be strong, the support program for the 1968 calendar year was at the 80 per cent mandatory level. This level amounted to \$22.66, national basis, for Grade A carcasses and was subject to the inauguration of a more realistic support program if the market changed at some later date within the year.

The market price to producers was above the support level during 1968 and no deficiency payments were made.

On January 1, 1969, hogs were priced on a new basis of index 100, rather than Grades A and B. It was decided that the maximum limitation for any future deficiency payment would be on 100 hogs per producer of index 100 and up, in place of the former maximum of 100 Grades A and B per producer. Base price figures were converted to the new hog grading system and, consequently, effective January 1, 1969, the 80 percent mandatory support became \$22.17 per hundredweight under this system.



Eggs - Order-in-Council P.C. 1968-758 of April 25, 1968, authorized the egg support level for the period October 1, 1967, to September 30, 1968. This program continued to be on a deficiency basis and applied to a minimum of 1,000 dozen and a maximum of 10,000 dozen Canada Grade A Extra Large, Canada Grade A Large, and Canada Grade A Medium eggs marketed in the period. The established support price was 34 cents per dozen Grade A Large eggs delivered by producers.

The Board determined that the weighted national average price received by producers for Canada Grade A Large eggs was 4/10 of a cent below the support price and approved a deficiency payment to eligible producers.

The sum of \$140,935 was paid to producers in 1968-69, under this program.

Grains - There were no deficiency payments made for wheat, oats or barley grown outside the area designated by the Canadian Wheat Board Act, in the marketing year which ended June 30, 1968.

Supports were set at the mandatory level of 80 percent of the 10-year average for each of these commodities. The prescribed prices, basis Ontario shipping points, were 59 cents per bushel for oats, 93 cents per bushel for barley and \$1.41 per bushel for wheat, all Canada Eastern No. 2 Grade or better quality.

Sugar Beets - Order-in-Council P.C. 1967-441 of March 10, 1967, as amended by P.C. 1968-2281 of December 17, 1968, authorized the Board to make payments to producers delivering sugar beets in the period September 1, 1967, to August 31, 1968, to stabilize the price of sugar beets at a prescribed price of \$15.50 per standard ton. This price was approximately 114 percent of the national 10-year average. The amendment to the authority to which reference is made provides for an additional payment of \$1.31 per standard ton on sugar beets delivered by an Ontario producer. This is above the payments per standard ton set out in Column 2 of the Schedule to the Order-in-Council opposite that range of London Daily Prices set out in Column 1 of that Schedule in which the actual average London Daily Price, as determined by the Board, is to be found. Provision for interim payments, and methods of calculation according to the Schedule appended to the Order-in-Council, were similar to those applying to the previous year's sugar beet support program. \$2,943,512 had been advanced to producers against the final deficiency estimated for their 1967 crop. Final payments for the 1967 crop amounted to \$3,381,612, or a grand total for the crop of \$6,325,124.

This was the last sugar beet crop grown by Ontario farmers, because of the closing of the Chatham refining plant of the Canada & Dominion Sugar Company. To assist eligible growers to change over to other crops, a supplementary estimate was passed that permitted additional payments to them of \$60 per acre planted for their 1967 crop. This transitional assistance was not from Agricultural Stabilization Board funds, but was a special payment and amounted to approximately \$971,632 to some 765 former Ontario sugar beet producers.

Order-in-Council P.C. 1968-1191 of June 28, 1968, authorized a support level of \$15.98 per standard ton for the 1968 sugar beet crop (September 1, 1968, to August 31, 1969). This support was approximately 117 percent of





the national 10-year average. Calculations and provisions for interim payments were similar to previous years. By March 31, 1969, some \$2,286,828 had been advanced to producers against the final deficiency estimated for their 1968 crop.

Potatoes - Order-in-Council P.C. 1968-1076 of June 5, 1968, authorized the Agricultural Stabilization Board to make payments for the benefit of producers of potatoes, on the basis of eligible acres of potatoes grown in 1967. Under such terms and conditions as prescribed by the Board payments were \$12.50 for each eligible half-acre in excess of one acre but not in excess of 17 acres. The maximum payment per eligible producer was \$400 and a total of \$2,492,324 was expended by March 31, 1969. The sum of \$438 was also paid under previous years' potato price support programs.

General - During the fiscal year the Board held 19 official Board meetings and, in addition, met with numerous delegations, representatives of producer organizations, and groups from the agricultural industry.

Officers of commodity divisions assisted the Board with various programs in their particular fields, and the Economics Branch assisted by preparing base price information and making cost and price studies relative to products actually being supported or being considered for support assistance.

The Board provided staff assistance and equipment to enable the Canadian Dairy Commission to handle registrations and producer quotas, to maintain marketing records, and to make payment arrangements as required.

Administration Costs - The administrative costs of the Board during the year 1968-69 were as follows:

Salaries (full-time)	\$ 95,744.47
Professional and special services	1,780.31
Travel	4,204.44
Freight, express and cartage	335.75
Telephones and telegraph	2,965.38
Office stationery, supplies and equipment	13,463.87
Sundries	870.15
Overtime	109.77
Casuals	203,718.30
	<hr/>
	\$ 323,192.44



# ANNUAL REPORT

of the Agricultural Stabilization Board

## 1969-1970





THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT  
TO  
THE MINISTER OF AGRICULTURE  
FOR THE YEAR  
1969-1970

Board Members:

S.B. Williams, Chairman  
R. Poirier, Member  
W.E. Jarvis, Member





## ANNUAL REPORT 1969-70

## THE AGRICULTURAL STABILIZATION BOARD

Agricultural Stabilization Board costs to stabilize the prices of commodities during the twelve years of the program, to March 31, 1970, were as follows:

<u>Product</u>	<u>Net Cost of Programs</u>
1. Butter	\$ 136,433,550
2. Cheese	7,240,183
3. Dry Skimmilk	15,517,250
4. Casein	3,973,099
5. Milk for Manufacturing	154,073,701
6. Cream for Manufacturing	83,038,683
7. Fluid Milk	6,890,222
8. Fluid Cream	18,319
9. Eggs	14,203,624
10. Fowl	561,424
11. Hogs	74,147,434
12. Lamb	1,702,540
13. Wool	11,509,386
14. Tomatoes	183,130
15. Potatoes	7,042,372
16. Apples	768,374
17. Peaches	357,214
18. Raspberries	292,074
19. Asparagus	106,021
20. Soybeans	2,084,627
21. Sugar Beets	36,991,175
22. Sunflower Seed	44,377
23. Honey	538,386
24. Sour Cherries	300,401
Transferred to Canadian Dairy Commission	<u>390,814,066</u>
	<u>\$ 948,831,632</u>

The following are mandatory commodities under the Agricultural Stabilization Act: butter, cheese, eggs, hogs, cattle, sheep; and also wheat, oats and barley grown outside the area designated by the Canadian Wheat Board Act. In the 1969-70 fiscal year sugar beets, manufacturing milk and cream, and potatoes were also included under the Act. Funds for the support of dairy products were transferred by the Board to the Canadian Dairy Commission for the administration of the dairy price stabilization program. Such funds amounted to \$131,857,000 in 1969-70 and are included in the last item of the above table.



Tabular summary of dollar value of operations during the fiscal year 1969-70  
with the calculation of the net cost of each program based on  
production or support year

Product	Year	Net Cost or Payment During Year
<u>Subsidy and Deficiency Payments</u>		
1966-67 Dairy Program		
Manufacturing Milk		100*
Cream		480*
Fluid Cream		372*
Wool	1968-69	257,332
	1969-70	812,767
Eggs	1967-68	870
Potatoes	1967-68	925
	1968-69	694,131
Sugar Beets	1968-69	1,258,472
	1969-70	1,415,780
Transfer to Canadian Dairy Commission	1969-70	131,857,000
		<hr/>
		\$ 136,296,325

\* Indicates a profit (refunds of overpayments).



Details of the commodity programs are as follows:

Dairy Products - Order in Council P.C. 1969-954 of May 13, 1969 authorized the Agricultural Stabilization Board to make payments to the Canadian Dairy Commission for the period April 1, 1969 to March 31, 1970, in the aggregate amount of \$132,000,000, to stabilize the price of milk as prescribed for the benefit of producers of manufacturing milk and cream.

The total amount transferred to the Canadian Dairy Commission by the Board in 1969-70 was \$131,857,000. Further details of the dairy support programs may be found in the Annual Report of the Canadian Dairy Commission.

Cattle - Cattle support continued for the period April 1, 1969 to March 31, 1970, at the 80 percent mandatory level, which was \$19.76 per hundredweight, basis Toronto, with appropriate differentials for other markets. Market prices for the year were higher on the average than the support level and no stabilization payments were made.

Lambs - Lamb support for the period April 1, 1969 to March 31, 1970 was at the 80 percent mandatory level, which was \$17.56 per hundredweight, national average for Good lambs. Since the national average weighted market price to producers exceeded the support level, no stabilization payments were made under this program.

Wool - Order in Council P.C. 1969-1781 of September 17, 1969 authorized the Board to support wool for the period April 1, 1969 to March 31, 1970, at 60 cents per pound. This program applied to wool of all grades, except Rejects, produced in Canada and delivered to registered warehouses in Canada in the above-mentioned period. Payment was calculated as the amount by which 60 cents per pound exceeded the price determined by the Board to be the average market price to producers, f.o.b. Toronto, of representative grades during the period.

Under this program the Board was directed to make payments only to producers of wool who delivered at least 100 pounds of wool, other than wool of the Reject grades, in the period. A deficiency payment of 29 cents per pound of eligible wool was made in 1969-70 to producers. The payments totalled \$812,767 in the fiscal year. An additional \$257,332 was paid on previous years' programs.

Hogs - Since hog prices continued to be strong, the support program for the 1969 calendar year was at the 80 percent mandatory level. This level amounted to \$22.17 per hundredweight, national basis, and, like other mandatory programs, was subject to the inauguration of a revised support if the market changed at some later date within the year. Support was on the grade basis of index 100 and up.

The market price to producers was above the support level during 1969 and no deficiency payments were made.

Eggs - Egg support for the period October 1, 1968 to September 30, 1969 was at the 80 percent mandatory level, which was 27.7 cents per dozen, national basis, for Grade A Large eggs.



The national average market price to producers during the period was determined to have been 42.3 cents per dozen and, therefore, no deficiency payments were made.

The sum of \$870 was paid to producers on claims under previous programs.

Grains - There were no deficiency payments made for wheat, oats or barley grown outside the area designated by the Canadian Wheat Board Act, in the marketing year which ended June 30, 1969.

Supports were set at the mandatory level of 80 percent of the 10-year average for each of these commodities. The prescribed prices, basis Ontario shipping points, were 60 cents per bushel for oats, 95 cents per bushel for barley and \$1.44 per bushel for wheat, all Canada Eastern No. 2 Grade or better quality.

Sugar Beets - Order in Council P.C. 1968-1191 of June 28, 1968 authorized a support level of \$15.98 per standard ton for the 1968 sugar beet crop (September 1, 1968 to August 31, 1969). This support was approximately 117 percent of the national 10-year average. Calculations and provisions for interim payments were similar to previous years. The total of final payments to producers for their 1968 crop amounted to \$1,258,472.

Order in Council P.C. 1969-1780 of September 17, 1969 authorized the continuation of the \$15.98 per standard ton support level for the 1969 sugar beet crop. This support was approximately 119 percent of the national 10-year average and calculations, and authority for interim payments, were also similar to previous years. By March 31, 1970, \$1,415,780 had been advanced to producers against the estimated final deficiency payment for the 1969 crop.

Potatoes - Order in Council P.C. 1969-681 of April 15, 1969 authorized the Agricultural Stabilization Board to provide assistance payments to producers for 1968 crop potatoes delivered to starch factories in the Province of New Brunswick after March 17, 1969 at the rate of:

\$1.45 per barrel (165 pounds) for potatoes delivered between March 17 and May 1, 1969, and

\$1.50 per barrel for potatoes delivered on and after May 1, 1969.

Federal assistance to March 31, 1970 amounted to \$694,131 under this program. The sum of \$925 was paid under previous years' potato price support programs.

General - During the fiscal year the Board held 13 official Board meetings and, in addition, met with numerous delegations, representatives of producer organizations, and groups from the agricultural industry.

Officers of commodity divisions assisted the board with various programs in their particular fields, and the Economics Branch assisted by preparing base price information and making cost and price studies relative to products actually being supported or being considered for support assistance.





The Board provided staff assistance and equipment to enable the Canadian Dairy Commission to handle registrations and producer quotas, to maintain marketing records, and to make payment arrangements as required.

Administration Costs - The administrative costs of the Board during the year 1969-70 were as follows:

Salaries (full-time)	\$ 303,796.23
Professional and special services	754.50
Travel	6,478.94
Freight, express and cartage	367.42
Telephones and telegraph	3,069.87
Utilities, Materials and Supplies	3,318.89
Rental of Equipment	290.92
Purchased, Repair and Upkeep	902.00
Overtime	331.98
Casuals	16,832.46
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	\$ 336,143.21
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# **ANNUAL REPORT**

of the  
**Agricultural  
Stabilization  
Board**





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THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT  
TO  
THE MINISTER OF AGRICULTURE  
FOR THE YEAR  
1970-1971

Board Members:

S. B. Williams, Chairman  
R. Poirier, Member  
W. E. Jarvis, Member





ANNUAL REPORT 1970-71  
THE AGRICULTURAL STABILIZATION BOARD

Agricultural Stabilization Board costs to stabilize the prices of commodities during the 13 years of the program to March 31, 1971, were as follows:

<u>Product</u>	<u>Net cost of programs</u>
1. Butter	\$ 136,433,550
2. Cheese	7,240,183
3. Dry skimmilk	15,517,250
4. Casein	3,973,099
5. Milk for manufacturing	154,073,676
6. Cream for manufacturing	83,038,478
7. Fluid milk	6,890,202
8. Fluid cream	18,319
9. Eggs	14,203,624
10. Fowl	561,424
11. Hogs	74,073,139
12. Lamb	1,702,540
13. Wool	11,911,907
14. Tomatoes	183,130
15. Potatoes	7,041,812
16. Apples	768,374
17. Peaches	357,214
18. Raspberries	292,074
19. Asparagus	106,021
20. Soybeans	2,084,627
21. Sugar beets	38,058,787
22. Sunflower seed	44,377
23. Honey	538,386
24. Sour cherries	300,401
Transferred to Canadian Dairy Commission	515,814,066
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	\$ 1,075,226,660
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The following are mandatory commodities under the Agricultural Stabilization Act: butter, cheese, eggs, hogs, cattle, sheep; and also wheat, oats and barley grown outside the area designated by the Canadian Wheat Board Act. In the 1970-71 fiscal year sugar beets and manufacturing milk and cream were also included under the Act. Funds for the support of dairy products were transferred by the Board to the Canadian Dairy Commission for the administration of the dairy price stabilization program. Such funds amounted to \$125,000,000 in 1970-71 and are included in the last item of the above table.



Tabular summary of dollar value of operations during the fiscal year 1970-71  
with the calculation of the net cost of each program based on  
production or support year

Product	Year	Net cost or payment during year
<u>Subsidy and Deficiency Payments</u>		
1966-67 Dairy program		
Manufacturing milk		26*
Cream		205*
Fluid milk		20*
Wool	1968-69	38
	1969-70	8,184
	1970-71	394,299
Potatoes	1968-69	559*
Sugar beets	1969-70	1,067,612
Pork		74,295*
Transfer to Canadian Dairy Commission		125,000,000
		<hr/> \$ 126,395,028

\* Indicates a profit (refunds of overpayments).



Details of the commodity programs are as follows:

Dairy Products - Order-in-Council P.C. 1970-724 of April 28, 1970, authorized the Agricultural Stabilization Board to make payments to the Canadian Dairy Commission for the period April 1, 1970, to March 31, 1971, in the amount of \$115,000,000 plus such additional amount, not exceeding \$10,000,000, as might be required by the Canadian Dairy Commission to support the price of manufacturing milk and cream at \$4.85 per hundred pounds to producers.

The total amount transferred to the Canadian Dairy Commission by the Board in 1970-71 was \$125,000,000. Further details of the dairy support programs may be found in the Annual Report of the Canadian Dairy Commission.

Cattle - Cattle support continued for the period April 1, 1970, to March 31, 1971, at the 80 percent mandatory level, which was \$20.10 per hundredweight, basis Toronto, with appropriate differentials for other markets. Market prices for the year were higher on the average than the support level and no stabilization payments were made.

Lambs - Lamb support for the period April 1, 1970, to March 31, 1971, was at the 80 percent mandatory level, which was \$18.54 per hundredweight, national average for Good lambs. Since the national average weighted market price to producers exceeded the support level, no stabilization payments were made under this program.

Wool - Order-in-Council P.C. 1971-580 of March 30, 1971, authorized the Board to support wool for the period April 1, 1970, to March 31, 1971, at 45 cents per pound. This program applied to wool of all grades, except Rejects, produced in Canada and delivered to registered warehouses in Canada in the above-mentioned period. Payment was calculated as the amount by which 45 cents per pound exceeded the price determined by the Board to be the average market price to producers, f.o.b. Toronto, of representative grades during the period.

Under this program the Board was directed to make payments only to producers of wool who delivered at least 100 pounds of wool, other than wool of the Reject grades, in the period. A deficiency payment of 17.3 cents per pound of eligible wool was made in 1970-71 to producers. The payments totaled \$394,299 in the fiscal year. An additional \$8,222 was paid on previous years' programs.

Hogs - The support program for hogs for the 1970 calendar year was at the 80 percent mandatory level. This level amounted to \$23.74 per hundredweight, national basis, and, like other mandatory programs, was subject to the inauguration of a revised support if the market changed at some later date within the year. Support was on the grade basis of index 100 and up.

The market price to producers was above the support level during 1970 and no deficiency payments were made.

Eggs - Egg support for the period October 1, 1969, to September 30, 1970, was at the 80 percent mandatory level, which was 27.7 cents per dozen, national basis, for Grade A Large eggs.



The national average market price to producers during the period was determined to have been above the support level and, therefore, no deficiency payments were made.

Grains - There were no deficiency payments made for wheat, oats or barley grown outside the area designated by the Canadian Wheat Board Act, in the marketing year that ended June 30, 1970.

Supports for the 1970-71 year were set at the mandatory level of 80 percent of the 10-year average for each of these commodities. The prescribed prices, basis Ontario shipping points, were 60 cents per bushel for oats, 98 cents per bushel for barley and \$1.46 per bushel for wheat, all Canada Eastern No. 2 Grade or better quality.

Sugar Beets - Order-in-Council P.C. 1969-1780 of September 17, 1969, authorized a support level of \$15.98 per standard ton for the 1969 sugar beet crop (September 1, 1969, to August 31, 1970). This support was approximately 119 percent of the national 10-year average. Calculations and provisions for interim payments were similar to previous years. The total of final payments to producers for their 1969 crop amounted to \$1,067,612.

Order-in-Council P.C. 1970-1157 of June 30, 1970, authorized the continuation of the \$15.98 per standard ton support level for the 1970 sugar beet crop. This support was approximately 117 percent of the national 10-year average and calculations, and authority for interim payments, were also similar to previous years. In view of the higher sugar prices prevailing it was agreed by the Board and the Sugar Beet Associations that an interim payment to producers against the estimated final deficiency payment for the 1970 crop would not be made.

General - During the fiscal year, there were 13 official Board meetings and, in addition, the Board met with numerous delegations, representatives of producer organizations, and groups from the agricultural industry.

Officers of commodity divisions assisted the Board with various programs in their particular fields, and the Economics Branch assisted by preparing base price information and making cost and price studies relative to products actually being supported or being considered for support assistance.

The Board provided staff assistance and equipment to enable the Canadian Dairy Commission to handle registrations and producer quotas, to maintain marketing records, and to make payment arrangements as required.





Administration Costs - The administrative costs of the Board during the year 1970-71 were as follows:

Salaries (full-time)	\$ 320,567.16
Professional and special services	3,268.64
Travel	10,551.86
Freight, express and cartage	339.05
Telephones and telegraph	3,748.14
Advertising	56.80
Utilities, materials and supplies	5,033.55
Rental of equipment	1,403.53
Purchased, repair and upkeep	743.00
Overtime	28.94
Casuals	9,009.70
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	\$ 354,750.37
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**1971**  
**1972**

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# **ANNUAL REPORT**

**of the  
Agricultural  
Stabilization  
Board**



Agriculture  
Canada



THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT

TO

THE MINISTER OF AGRICULTURE

FOR THE YEAR

1971-1972

Board Members:

S.B. Williams, Chairman  
R. Poirier, Member  
W.E. Jarvis, Member





ANNUAL REPORT 1971-72  
THE AGRICULTURAL STABILIZATION BOARD

Agricultural Stabilization Board costs to stabilize the prices of commodities during the 14 years of the program to March 31, 1972, were as follows:

<u>Product</u>	<u>Net cost of programs</u>
11. Butter	\$ 136,433,550
2. Cheese	7,240,183
3. Dry skimmilk	15,517,250
4. Casein	3,973,099
5. Milk for manufacturing	154,073,676
6. Cream for manufacturing	83,038,458
7. Fluid milk	6,890,202
8. Fluid cream	18,319
9. Eggs	14,203,624
10. Fowl	561,424
11. Hogs	84,832,524
12. Lamb	1,702,540
13. Wool	12,014,869
14. Tomatoes	183,130
15. Potatoes	7,994,871
16. Apples	768,374
17. Peaches	357,214
18. Raspberries	292,074
19. Asparagus	106,021
20. Soybeans	2,084,627
21. Sugar beets	38,805,119
22. Sunflower seed	44,377
23. Honey	538,386
24. Sour cherries	300,401
25. Blueberries	216,187
26. Rutabagas	79,100
27. Carrots	128,118
Transferred to Canadian Dairy Commission	624,814,066
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	\$ 1,197,211,783



The following are mandatory commodities under the Agricultural Stabilization Act: butter, cheese, eggs, hogs, cattle, sheep; and also wheat, oats and barley grown outside the area designated by the Canadian Wheat Board Act. In the 1971-72 fiscal year, sugar beets, fowl, potatoes, fresh apples, carrots, rutabagas, blueberries, and manufacturing milk and cream were also included under the Act. Funds for the support of dairy products were transferred by the Board to the Canadian Dairy Commission for the administration of the dairy price stabilization program. Such funds amounted to \$109,000,000 in 1971-72 and are included in the last item of the above table.

Tabular summary of dollar value of operations during the fiscal year 1971-72 with the calculation of the net cost of each program based on production or support year

Product	Year	Purchases and costs added during year	Net cost or payment during year
Potatoes	1971	953,059	953,059
<u>Subsidy and Deficiency Payments</u>			
1966-67 Dairy Program			
Cream		20 cr	20*
Wool	1969-70	25 cr	25*
Wool	1970-71	102,987	102,987
Hogs	1971-72	10,762,425	10,762,425
Sugar beets	1971	746,332	746,332
Blueberries	1971	216,187	216,187
Rutabagas	1971	79,100	79,100
Carrots	1971	128,118	128,118
Pork		3,040 cr	3,040*
Transfer to Canadian Dairy Commission	1971-72	109,000,000	109,000,000
		121,985,122	121,985,122

\*Indicates a profit (refunds of overpayments).



Details of the commodity programs are as follows:

Dairy Products - Order in Council P.C. 1971-1067 of June 8, 1971, authorized the Agricultural Stabilization Board to make payments to the Canadian Dairy Commission for the period April 1, 1971, to March 31, 1972, in the amount of \$109,000,000 to support the price of manufacturing milk and cream at \$4.85 per 100 pounds to producers.

The total amount transferred to the Canadian Dairy Commission by the Board in 1971-72 was \$109,000,000. Further details of the dairy support programs may be found in the Annual Report of the Canadian Dairy Commission.

Cattle - Cattle support continued for the period April 1, 1971, to March 31, 1972, at the 80 percent mandatory level, which was \$20.72 per hundredweight, basis Toronto, with appropriate differentials for other markets. Market prices for the year were higher, on the average, than the support level and no stabilization payments were made.

Lambs - Lamb support for the period April 1, 1971, to March 31, 1972, was at the 80 percent mandatory level, which was \$19.65 per hundredweight, national average for Good lambs. Since the national average weighted market price to producers exceeded the support level, no stabilization payments were made under this program.

Wool - For the previous year ending March 31, 1971, Order in Council P.C. 1971-580 of March 30, 1971, authorized the Board to support wool at 45 cents per pound. This program applied to wool of all grades, except Rejects, produced in Canada and delivered to registered warehouses in Canada in the above-mentioned period. Payment was calculated as the amount by which 45 cents per pound exceeded the price determined by the Board to be the average market price to producers, f.o.b. Toronto, of representative grades during the period.

Under this program the Board was directed to make payments only to producers of wool who delivered at least 100 pounds of wool, other than wool of the Reject grades, in the period. A deficiency payment of 17.3 cents per pound of eligible wool was made in 1970-71 to producers. The payments totaled \$394,299 in that fiscal year. An additional \$102,962 was paid in 1971-72 on wool delivered in 1970-71. There was no authorized wool support program in 1971-72.

Hogs - The support program for hogs for the 1971 calendar year was recorded at the 80 percent mandatory level. This level amounted to \$24.14 per hundredweight, national basis, and, like other mandatory programs, was subject to the inauguration of a revised support if the market changed at some later date within the year. Support was on the grade basis of index 100 and up.

At the close of the hog year, December 31, 1971, the Board recorded that the 1971 accumulated average price to producers was \$23.67, which was under the mandatory support level. However, to reflect to a degree the added input costs to this industry, and to raise returns to producers, authority was granted by Order in Council P.C. 1972-469 of March 14, 1972, to pay each eligible producer \$5.00 per hog delivered for slaughter in 1971





up to a maximum of 200 hogs of grades index 100 and up. As of the close of the 1971-72 fiscal year the amount of \$10,762,425 had been paid to hog producers, and applications were continuing to be processed.

Eggs - Egg support for the period October 1, 1970, to September 30, 1971, was at the 80 percent mandatory level, which was 28.58 cents per dozen, national basis, for Grade A Large eggs.

The national average market price to producers during the period was determined to have been above the support level and, therefore, no deficiency payments were made. However, to support generally low prices eggs were purchased during the year under the Agricultural Products Board Act, for the World Food Program, from surplus stocks in Canada.

Grains - There were no deficiency payments made for wheat, oats or barley grown outside the area designated by the Canadian Wheat Board Act, in the marketing year that ended June 30, 1971.

Supports for the 1971-72 year were set at the mandatory level of 80 percent of the 10-year average for each of these commodities. The prescribed prices, basis Ontario shipping points, were 61 cents per bushel for oats, \$1.02 per bushel for barley and \$1.49 per bushel for wheat, all Canada Eastern No. 2 Grade or better quality.

Sugar Beets - Order in Council P.C. 1970-1157 of June 30, 1970, authorized a support level of \$15.98 per standard ton for the 1970 sugar beet crop (September 1, 1970, to August 31, 1971). This support was approximately 117 percent of the national 10-year average. Calculations and provisions for interim payments were similar to previous years. The total payment to producers for their 1970 crop amounted to \$746,332.

In view of the higher sugar prices prevailing it was agreed by the Board and the Sugar Beet Associations that an interim payment to producers against the estimated final deficiency payment for the 1971 crop would not be considered.

Fowl - Order in Council P.C. 1971-2269 of October 28, 1971, authorized the Board to pay producers 50 cents for each fowl slaughtered in an 8-week period (ending December 31, 1971), providing a minimum of 2,320,000 and a maximum of 2,640,000 fowl were killed in the period. The payment to a total of \$160,000 was to be prorated to all eligible producers. Fowl slaughtered in the prescribed 8-week period was less than the minimum of 2,320,000 and therefore no payments were made.

Potatoes - Order in Council P.C. 1972-8 of January 18, 1972, authorized the Board to purchase a minimum of 200 hundredweight and a maximum of 1,333 hundredweight of Canada No. 1 grade potatoes from individual producers. Initial payment on acceptance of the Board's offer to purchase was to be 75 cents per hundredweight to each eligible producer, plus an additional 75 cents per hundredweight on delivery to the Board of all potatoes purchased by the Board from the producer. At the close of the fiscal year quantities of Board potatoes were being processed into starch, or fed to livestock, and the total expenditure and commitment to March 31, 1972, was \$953,059.





Fresh Apples - Order in Council P.C. 1971-2464 of November 9, 1971, authorized the Board to make a payment of up to \$114,000 to the Canadian Horticultural Council for the purpose of stabilizing the price of fresh apples. Arrangements were being made at the close of the fiscal year to provide funds to the Council for the use of provincial apple marketing agencies. No expenditure was made in 1971-72.

Carrots - Order in Council P.C. 1971-2839 of December 21, 1971, authorized the Board to make payments to distributors for the benefit of carrot producers at the rate of 0.5 cents per pound, providing the distributor paid producers at least the prescribed price during the period August 16, 1971, to April 30, 1972, or such date prior to April 30, 1972, designated by the Board. The prescribed price was established at 93.4 percent of the base price. As of March 31, 1972, payments to distributors for the benefit of carrot producers totaled \$128,118.

Rutabagas - Order in Council P.C. 1971-2840 of December 21, 1971, authorized the Board to make payments to distributors for the benefit of rutabaga producers at the rate of 0.24 cents per pound, providing the distributor paid producers at least the prescribed price during the period August 16, 1971, to December 31, 1971. The prescribed price was established at 83.3 percent of the base price. As of March 31, 1972, payments to distributors for the benefit of rutabaga producers totaled \$79,100.

Blueberries - Order in Council P.C. 1971-2463 of November 9, 1971, authorized the Board to make payments to blueberry producers at the rate of 1.5 cents per pound for each pound of blueberries delivered to distributors in the period August 16, 1971, to October 15, 1971. As of March 31, 1972, payments to eligible producers totaled \$216,187.

General - During the fiscal year there were 32 official Agricultural Stabilization Board meetings, 27 Agricultural Products Board meetings and, in addition, the Board met with numerous delegations and representatives of agricultural producer and processor organizations.

Officers of commodity divisions assisted the Board with various programs in their particular fields, and the Economics Branch assisted by preparing base price information and making cost and price studies relative to products actually being supported or being considered for support assistance.

The Board provided staff assistance and equipment to enable the Canadian Dairy Commission to handle registrations and producer quotas, to maintain marketing records and to make payment arrangements as required.



Administration Costs - The administrative costs of the Board during the year 1971-72 were as follows:

Salaries (full-time)	\$361,420.57
Professional and special services	7,151.88
Travel	6,221.62
Freight, express and cartage	717.25
Telephones and telegraph	4,572.25
Publications	86.06
Utilities, materials and supplies	8,561.39
Rental of equipment	4,507.31
Purchased, repair and upkeep	15,867.19
Overtime	795.73
Casuals	13,549.34
	<hr/>
	\$423,450.59
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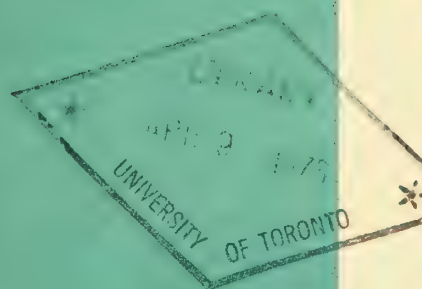
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# ANNUAL REPORT

of the  
Agricultural  
Stabilization  
Board

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Agriculture  
Canada





THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT

TO

THE MINISTER OF AGRICULTURE

FOR THE YEAR

1972-1973

Board Members:

S.B. Williams, Chairman

R. Poirier, Member

W.E. Jarvis, Member



ANNUAL REPORT 1972-73  
THE AGRICULTURAL STABILIZATION BOARD

Agricultural Stabilization Board costs to stabilize the prices of commodities during the 15 years of the program to March 31, 1973, were as follows:

<u>Product</u>	<u>Net cost of programs</u>
1. Butter	\$ 136,433,550
2. Cheese	7,240,183
3. Dry skimmilk	15,517,250
4. Casein	3,973,099
5. Milk for manufacturing	154,073,676
6. Cream for manufacturing	83,038,458
7. Fluid milk	6,890,202
8. Fluid cream	18,319
9. Eggs	14,203,624
10. Fowl	2,866,287
11. Hogs	92,646,055
12. Lamb	1,702,540
13. Wool	12,015,255
14. Tomatoes	183,130
15. Potatoes	8,867,705
16. Apples	874,278
17. Peaches	357,214
18. Raspberries	292,074
19. Asparagus	106,021
20. Soybeans	2,084,627
21. Sugar beets	38,805,119
22. Sunflower seed	44,377
23. Honey	538,386
24. Sour cherries	300,401
25. Blueberries	238,120
26. Rutabagas	89,514
27. Carrots	151,716
28. Flowers	30,147
Transferred to Canadian Dairy Commission	732,214,066
	<hr/>
	\$ 1,315,795,393



The following are mandatory commodities under the Agricultural Stabilization Act: butter, cheese, eggs, hogs, cattle, sheep; and also wheat, oats and barley grown outside the area designated by the Canadian Wheat Board Act. In the 1972-73 fiscal year, sugar beets, fowl, potatoes, fresh apples, carrots, rutabagas, blueberries, flowers, and manufacturing milk and cream were also included under the Act. Funds for the support of dairy products were transferred by the Board to the Canadian Dairy Commission for the administration of the dairy price stabilization program. Such funds amounted to \$107,400,000 in 1972-73 and are included in the last item of the above table.

Tabular summary of dollar value of operations during the fiscal year 1972-73 with the calculation of the net cost of each program based on production or support year

Product	Year	Purchased and costs added during year	Net cost or payment during year
Potatoes	1971	872,834	872,834
<u>Subsidy and Deficiency Payments</u>			
Wool	1970-71	386	386
Hogs	1971-72	7,813,531	7,813,531
Apples	1972	105,904	105,904
Blueberries	1971	21,933	21,933
Rutabagas	1971	10,414	10,414
Carrots	1971	23,598	23,598
Flowers	1971	30,147	30,147
Fowl	1972	2,304,863	2,304,863
Transfer to Canadian Dairy Commission	1972-73	107,400,000	107,400,000
		118,583,610	118,583,610



Details of the commodity programs are as follows:

Dairy Products - Order in Council P.C. 1972-1312 of June 13, 1972, authorized the Agricultural Stabilization Board to make payments to the Canadian Dairy Commission for the period April 1, 1972, to March 31, 1973, in the amount of \$107,400,000 to support the price of manufacturing milk and cream at \$4.85 per 100 pounds to producers.

The total amount transferred to the Canadian Dairy Commission by the Board in 1972-73 was \$107,400,000. Further details of the dairy support programs may be found in the Annual Report of the Canadian Dairy Commission.

Cattle - Cattle support continued for the period April 1, 1972, to March 31, 1973, at the 80 percent mandatory level, which was \$21.52 per hundredweight, basis Toronto, with appropriate differentials for other markets. Market prices for the year were higher, on the average, than the support level and no stabilization payments were made.

Lambs - Lamb support for the period April 1, 1972, to March 31, 1973, was at the 80 percent mandatory level, which was \$18.64 per hundredweight, national average for Good lambs. Since the national average weighted market price to producers exceeded the support level, no stabilization payments were made under this program.

Hogs - The support program for hogs for the 1972 calendar year was recorded at the 80 percent mandatory level. This level amounted to \$23.28 per hundredweight, national basis, and, like other mandatory programs, was subject to the inauguration of a revised support if the market changed at some later date within the year. Support was on the grade basis of index 100 and up. The 1972 price to producers exceeded the support level and no payments were made on this year's marketings. However, the 1971 hog year authority had been granted by Order in Council P.C. 1972-469 of March 14, 1972, to pay each eligible producer \$5.00 per hog delivered for slaughter in 1971 up to a maximum of 200 hogs of grades index 100 and up. During the 1972-73 fiscal year the amount of \$7,813,531 was paid to hog producers in addition to payments processed in the previous fiscal year.

Eggs - Egg support for the period October 1, 1971, to September 30, 1972, was at the 80 percent mandatory level, which was 28.78 cents per dozen, national basis, for Grade A Large eggs.

The national average market price to producers during the period was determined to have been above the support level and, therefore, no deficiency payments were made.

Grains - There were no deficiency payments made for wheat, oats or barley grown outside the area designated by the Canadian Wheat Board Act, in the marketing year that ended June 30, 1971.

Supports for the 1972-73 year were set at the mandatory level of 80 percent of the 10-year average for each of these commodities. The prescribed prices, basis Ontario shipping points, were 60 cents per bushel for oats, \$1.02 per bushel for barley and \$1.52 per bushel for wheat, all Canada Eastern No. 2 Grade or better quality.





Sugar Beets - On June 4, 1971, and on June 10, 1972, it was announced by press releases and advice to the industry that the 1971 and 1972 sugar beet crops would continue to be supported at \$15.98 per standard ton of beets. Since world sugar prices were strong there was no deficiency payment made to producers for their 1971 crop.

Fowl - Order in Council P.C. 1972-1747 of August 24, 1972, authorized the Board to pay producers 75 cents for each fowl slaughtered during the period June 5 to June 27, 1972, on receipt of evidence acceptable to the Board.

By the close of the fiscal year the sum of \$2,304,863 had been paid to remove the excess of hens from Canada's laying flocks. This program had the immediate effect of markedly improving producers' egg prices.

Potatoes - Order in Council P.C. 1972-8 of January 18, 1972, authorized the Board to purchase a minimum of 200 hundredweight and a maximum of 1,333 hundredweight of Canada No. 1 grade potatoes from individual producers. Initial payment on acceptance of the Board's offer to purchase was to be 75 cents per hundredweight to each eligible producer, plus an additional 75 cents per hundredweight on delivery to the Board of all potatoes purchased by the Board from the producer. Quantities of Board potatoes were processed into starch, or fed to livestock, and the total expenditure in 1972-73, exclusive of the amount paid in the 1971-72 fiscal year, was \$872,834.

Fresh Apples - Order in Council P.C. 1971-2464 of November 9, 1971, authorized the Board to make a payment of up to \$114,000 to the Canadian Horticultural Council for the purpose of stabilizing the price of fresh apples. Funds were provided to the Council for the use of provincial apple marketing agencies in the amount of \$105,904.

Carrots - Order in Council P.C. 1971-2839 of December 21, 1971, authorized the Board to make payments to distributors for the benefit of carrot producers at the rate of 0.5 cents per pound, provided the distributor paid producers at least the prescribed price during the period August 16, 1971, to April 30, 1972, or such date before April 30, 1972, designated by the Board. The prescribed price was established at 93.4 percent of the base price. Payments to distributors for the benefit of carrot producers totaled \$128,118 in 1971-72 and \$23,598 in 1972-73.

Rutabagas - Order in Council P.C. 1971-2840 of December 21, 1971, authorized the Board to make payments to distributors for the benefit of rutabaga producers at the rate of 0.24 cents per pound, provided the distributor paid producers at least the prescribed price during the period August 16, 1971, to December 31, 1971. The prescribed price was established at 83.3 percent of the base price. Payments to distributors for the benefit of rutabaga producers totaled \$79,100 in 1971-72 and \$10,414 in 1972-73.

Blueberries - Order in Council P.C. 1971-2463 of November 9, 1971, authorized the Board to make payments to blueberry producers at the rate of 1.5 cents per pound for each pound of blueberries delivered to distributors in the period August 16, 1971, to October 15, 1971. Payments to eligible producers totaled \$216,187 in 1971-72 and \$21,933 in 1972-73.



Flowers - Order in Council P.C. 1972-2673 of November 23, 1972, authorized the Board to make payments to producers of flowers. Assistance was provided on flowers shipped during the period August 16, 1971, to December 20, 1971, and the support prices amounted to:

102.8 percent of the base price of pompon  
chrysanthemums,

100 percent of the base price of standard cut  
and potted chrysanthemums, and

86 percent of the base price of sweetheart roses.

Payments to eligible claimants in 1972-73 amounted to \$30,147.

General - During the fiscal year there were 22 official Agricultural Stabilization Board meetings, 12 Agricultural Products Board meetings and, in addition, the Board met with numerous delegations and representatives of agricultural producer and processor organizations.

Officers of commodity divisions of the Production and Marketing Branch assisted the Board with various programs in their particular fields, and the Economics Branch assisted by preparing base price information and making cost and price studies relating to products actually being supported or being considered for support.

The Board provided staff assistance and equipment to enable the Canadian Dairy Commission to handle registrations and producer quotas, to maintain marketing records and to make payment arrangements as required. The costs of these services, as well as administrative costs covering 1972-73 operations of the Agricultural Products Board and processing of "Rain Damage" and "Grains Group" payments, were charged to the Board and are included in the following table.



Administration Costs - The administrative costs of the Board during the year 1972-73 were as follows:

Full-time personnel	\$385,945.78
Casuals	67,369.30
Overtime	1,405.53
Allowances	949.07
Supplementary costs	1,683.46
Travel	4,727.62
Postage, freight express and cartage	273.54
Telephones and telegraph	5,607.70
Advertising	184.80
Professional and special services	6,820.10
Rentals	10,275.71
Purchased repair and upkeep of equipment	1,209.94
Materials and supplies	22,116.47
Office equipment and furnishings (\$150.00)	21,798.08
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	\$530,367.10
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Publications

# ANNUAL REPORT

of the  
Agricultural  
Stabilization  
Board



Agriculture  
Canada



THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT  
TO  
THE MINISTER OF AGRICULTURE  
FOR THE YEAR  
1973-1974

Board Members:

S.B. Williams, Chairman  
R. Poirier, Member  
W.E. Jarvis, Member



## ANNUAL REPORT 1973-74

## THE AGRICULTURAL STABILIZATION BOARD

Agricultural Stabilization Board costs to stabilize the prices of commodities during the 16 years of the program to March 31, 1974, were as follows:

<u>Product</u>	<u>Net cost of program</u>
1. Butter	\$ 136,433,550
2. Cheese	7,240,183
3. Dry skimmilk	15,517,250
4. Casein	3,973,099
5. Milk for manufacturing	154,073,676
6. Cream for manufacturing	83,038,458
7. Fluid milk	6,890,202
8. Fluid cream	18,319
9. Eggs	14,203,624
10. Fowl	2,893,481
11. Hogs	92,680,112
12. Lamb	1,702,540
13. Wool	12,015,255
14. Tomatoes	183,130
15. Potatoes	8,903,632
16. Apples	874,278
17. Peaches	357,214
18. Raspberries	292,074
19. Asparagus	106,021
20. Soybeans	2,084,627
21. Sugar beets	38,805,119
22. Sunflower seed	44,377
23. Honey	538,386
24. Sour cherries	300,401
25. Blueberries	238,120
26. Rutabagas	89,514
27. Carrots	151,716
28. Flowers	30,217
Transferred to Canadian Dairy Commission	<u>875,614,066</u>
	\$ 1,459,292,641

The following are mandatory commodities under the Agricultural Stabilization Act: butter, cheese, eggs, hogs, cattle, sheep; and also wheat, oats and barley grown outside the area designated by the Canadian Wheat Board Act. In the 1973-74 fiscal year expenditures were made under the Act to support hogs, eggs (fowl), potatoes, flowers and manufacturing milk and cream. Funds for the support of dairy products were transferred by the Board to the Canadian Dairy Commission for the administration of the dairy price stabilization program. Such funds amounted to \$143,400,000 in 1973-74 and are included in the last item of the above table.

Tabular summary of dollar value of operations during the fiscal year 1973-74 with the calculation of the net cost of each program based on production or support year

Product	Year	Net cost or payment during year
Potatoes	1971	\$ 35,927
Hogs	1971-72	34,057
Flowers	1971	70
Fowl	1972	27,194
Transfer to Canadian Dairy Commission	1973-74	143,400,000
		<u>\$143,497,248</u>

Details of the commodity programs are as follows:

Dairy Products - Order in Council P.C. 1973-1400 of June 5, 1973, authorized the Agricultural Stabilization Board to make payments to the Canadian Dairy Commission for the period April 1, 1973, to March 31, 1974, to support the price of manufacturing milk and cream at \$6.45 per 100 pounds to producers.

The total amount transferred to the Canadian Dairy Commission by the Board in 1973-74 was \$143,400,000. Further details of the dairy support programs may be found in the Annual Report of the Canadian Dairy Commission.



Cattle - Cattle support continued for the period April 1, 1973, to March 31, 1974, at the 80% mandatory level, which was \$23.21 per hundredweight, basis Toronto, with appropriate differentials for other markets.

Since the passing of the Agricultural Stabilization Act, the base price for cattle had been determined by computing the simple average of annual prices for Good steers at Toronto over the previous 10-year period. As a result of the implementation of the new beef grading system in Canada, prices for Good steers were no longer being reported. Therefore, the base price for steers commencing April 1, 1973, was calculated for purposes of the Act by using the 10-year weighted average price for Grade A steers (all fat levels) at Toronto. Market prices for the year were higher, on the average, than the support level and no stabilization payments were made.

Lambs - Lamb support for the period April 1, 1973, to March 31, 1974, was at the 80% mandatory level, which was \$19.56 per hundredweight, national average for Good lambs. Since the national average weighted market price to producers exceeded the support level, no stabilization payments were made under this program.

Hogs - The support program for hogs for the 1973 calendar year was recorded at the 80% mandatory level. This level amounted to \$24.14 per hundredweight, national basis, and like other mandatory programs was subject to the inauguration of a revised support if the market changed at some later date within the year. Support was on the grade basis of index 100 and up. The 1973 price to producers exceeded the support level and no deficiency payments were made on this year's marketings. However, the 1971 hog year authority had been granted by Order in Council P.C. 1972-469 of March 14, 1972, to pay each eligible producer \$5 per hog delivered for slaughter in 1971 up to a maximum of 200 hogs of grades index 100 and up. During the 1973-74 fiscal year, the amount of \$34,057 was paid to hog producers in addition to payments processed in the previous fiscal years.

Eggs - Egg support for the period October 1, 1972, to September 30, 1973, was at the 80% mandatory level, which was 28.40 cents per dozen, national basis, for Grade A Large eggs.

The national average market price to producers during the period was determined to have been above the support level and, therefore, no deficiency payments were made.

Grains - There were no deficiency payments made for wheat, oats or barley grown outside the area designated by the Canadian Wheat Board Act, in the marketing year that ended June 30, 1973.



Supports for the 1973-74 year were set at the mandatory level of 80% of the 10-year average for each of these commodities. The prescribed prices, basis Ontario shipping points, were 62 cents per bushel for oats, \$1.06 per bushel for barley and \$1.54 per bushel for wheat, all Canada Eastern No. 2 Grade or better quality.

Fowl - Order in Council P.C. 1972-1747 of August 24, 1972, as amended by P.C. 1973-1122 of May 15, 1973, authorized the Board to pay producers 75 cents for each fowl slaughtered or delivered during the period June 5 to June 27, 1972, on receipt of evidence acceptable to the Board.

By the close of the 1972-73 fiscal year, the sum of \$2,304,863 had been paid to remove excess hens from Canada's laying flocks. Carry-over payments totaling \$27,194 were made in 1973-74.

Potatoes - Order in Council P.C. 1972-8 of January 18, 1972, authorized the Board to purchase a minimum of 200 hundredweight and a maximum of 1,333 hundredweight of Canada No. 1 grade potatoes from individual producers. Initial payment on acceptance of the Board's offer to purchase was to be 75 cents per hundredweight to each eligible producer, plus an additional 75 cents per hundredweight on delivery to the Board of all potatoes purchased by the Board from the producer. Quantities of Board potatoes were processed into starch, or fed to livestock, and the total expenditure in 1973-74, exclusive of the principle amounts paid in the 1971-72 and 1972-73 fiscal years was \$35,927.

Flowers - Order in Council P.C. 1972-2673 of November 23, 1972, authorized the Board to make payments to producers of flowers. Assistance was provided on flowers shipped during the period August 16, 1971, to December 20, 1971, and the support prices amounted to:

102.8% of the base price of pompon chrysanthemums,

100% of the base price of standard cut and potted  
chrysanthemums, and

86% of the base price of sweetheart roses.

Payments to eligible claimants in 1972-73 amounted to \$30,147 and a small carry-over payment of \$70 was made in 1973-74.

General - During the fiscal year there were 7 official Agricultural Stabilization Board meetings, 12 Agricultural Products Board meetings and, in addition, the Board met

with numerous delegations and representatives of agricultural producer and processor organizations.

Officers of commodity divisions of the Production and Marketing Branch assisted the Board with various programs in their particular fields, and the Economics Branch assisted by preparing base price information and making cost and price studies relating to products actually being supported or being considered for support.

The Board provided staff assistance and equipment to enable the Canadian Dairy Commission to handle registrations and producer quotas, to maintain marketing records and to make payment arrangements as required. The costs of these services, as well as administrative costs covering some of the 1973-74 operations of the Agricultural Products Board and the processing of "Rain Damage" and "Consumer Fluid Milk" payments, were charged to the Board and are included in the following table.

Administration Costs - The administration costs of the Board during the year 1973-74 were as follows:

Full-time personnel	\$423,184.00
Casuals	42,652.52
Overtime	429.11
Supplementary costs	4,638.34
Travel	8,485.46
Postage, freight express and cartage	400.25
Telephones and telegraph	10,488.95
Professional and special services	9,536.37
Rentals	8,908.05
Materials and supplies	8,572.85
Construction, acquisition of office equipment and furniture	5,284.10
Summer students	11,732.87
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	\$534,312.87
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# ANNUAL REPORT

of the  
Agricultural  
Stabilization  
Board

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THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT  
TO  
THE MINISTER OF AGRICULTURE  
FOR THE YEAR  
1974-1975

Board Members:

S.B. Williams, Chairman  
R. Poirier, member  
W.E. Jarvis, member





## ANNUAL REPORT 1974-75

## THE AGRICULTURAL STABILIZATION BOARD

Agricultural Stabilization Board costs to stabilize the prices of commodities during the 17 years of the program to March 31, 1975, were as follows:

<u>Product</u>	<u>Net cost of program</u>
Apples	\$ 874,278
Asparagus	106,021
Beef	46,470,726
Blueberries	238,120
Butter	94,160,744
- Purchase	45,709,629
- Subsidy	151,716
Carrots	3,973,099
Casein	7,240,183
Cheese	3,955,972
- Cheddar	300,401
- 1st Grade	27,575
Cherries	17,947
- Sour	60,596,196
Cream	5,932,116
- Butterfat	8,271,504
- Fluid	30,217
- Manufacturing	2,893,481
Egg	18,624,541
- Deficiency	538,386
- Shell	1,702,540
Flowers	41,337,158
Fowl	426,908
Hogs	5,191,158
Honey	22,414,676
Lambs	15,517,250
Milk	6,890,574
- Butter	99,726,963
- Butterfat	357,214
- Cheese	74,054,975
- Cream	8,903,634
- Dry skim	292,074
- Fluid	89,514
- Manufacturing	2,084,627
Peaches	38,805,447
Pork	44,377
Potatoes	183,130
Raspberries	12,015,255
Rutabagas	1,126,714,066
Soybeans	
Sugar beets	
Sunflower seed	
Tomatoes	
Wool	
Transfer to Canadian Dairy Commission	
Total	<u>\$1,756,864,392</u>

The format of this statement has been changed from that used in previous annual reports to be consistent with other financial records kept by the Board.

The following are mandatory commodities under the Agricultural Stabilization Act: butter, cheese, eggs, hogs, cattle, sheep; and also wheat, oats and barley grown outside the area designated by the Canadian Wheat Board Act. In the 1974-75 fiscal year expenditures were made under the Act to support hogs, beef, sugar beets, and manufacturing milk and cream. Funds for the support of dairy products were transferred by the Board to the Canadian Dairy Commission for the administration of the dairy price stabilization program. Such funds amounted to \$251.1 million in 1974-75 and are included in the last item of the above table.

Tabular summary of dollar value of operations during the fiscal year 1974-75 with the calculation of the net cost of each program based on production or support year

Product	Year	Net cost or payment during year
Hogs	1971-72	\$ 2,495.00
Beef	1974	46,470,725.76
Sugar beets	1971	327.77
Transfer to Canadian Dairy Commission	1974-75	251,100,000.00
		<hr/> \$297,573,548.53 <hr/> <hr/>

Details of the commodity programs are as follows:

Dairy Products - Order in Council P.C. 1974-1701 of July 30, 1974 as amended by P.C. 1974-1948 of September 3, 1974 authorized the Agricultural Stabilization Board to make payments to the Canadian Dairy Commission for the period April 1, 1974, to March 31, 1975, to support the price of manufacturing milk and cream.

Further details of the dairy support programs may be found in the Annual Report of the Canadian Dairy Commission.

Cattle - Cattle support continued for the period April 1, 1974, to March 31, 1975, at the 80% mandatory level, which was \$24.94 per hundredweight, basis Toronto, with appropriate differentials for other markets. Prices for the year were higher, on the average, than the support level and no stabilization payments were made under the mandatory support program.

However, because of increased producer costs and lower beef prices to producers, a premium payment on quality beef was authorized.

Applications were received for such premiums on A, B and C cattle sold for slaughter in the period March 4, 1974, to August 25, 1974. Payments were as authorized by Orders in Council P.C. 1974-666 of March 26, 1974; P.C. 1974-803 of April 9, 1974, and P.C. 1974-1947 of September 3, 1974. As of the close of the 1974-75 fiscal year, payments to producers under this program amounted to \$46,470,725.

Order in Council P.C. 1974-2109 of September 24, 1974, authorized another cattle support program for A, B and C grades. This was based on a deficiency payment system with a support price of \$45.42 per hundredweight prevailing in the period August 12, 1974, to August 11, 1975. The floor price was related to calculations on A1 and A2 steers and heifers. However, if a deficiency payment was to be made it would apply to A, B and C cattle sold for slaughter by eligible producers.

Another support measure for a segment of the cattle industry was announced by the Minister to cover slaughter cows (grades D1, D2, D3 and D4). This support was to cover the period November 16, 1974, to April 30, 1975, with a support price of \$23.21 per hundredweight in effect. The deficiency payment, if any, was to be calculated at the end of the period and eligibilities were to be related to quotas as follows:

- For November 16, 1974, to December 13, 1974, producers could claim on all cows marketed.
- For December 14, 1974, to April 30, 1975, producers could claim on 2% of their cow herds marketed each month to a maximum of 5% of their herds in the December to April period.
- Regardless of herd sizes, producers could claim on at least two cows marketed during the period December 14, 1974, to April 30, 1975.

Lambs - Lamb support for the period April 1, 1974, to March 31, 1975, was at the 80% mandatory level, which was \$20.81 per hundredweight, national average for Good lambs. Since the national average weighted market price to producers exceeded the support level, no stabilization payments were made under this program.

Hogs - The support program for hogs for the 1974 calendar year was recorded at the 80% mandatory level. This level amounted to \$26.85 per hundredweight, national basis, and like other mandatory programs was subjected to the inauguration of a revised support if the market changed at some later date within the year. Support was on the grade basis of index 100 and up. The 1974 price to producers exceeded the support level and no deficiency payments were made on this year's marketings.

In addition to the mandatory support referred to above, an interim plan was introduced to cover all hogs indexing 88 or above marketed between April 1, 1974, and March 31, 1975, up to 1,500 hogs per farm. This program guaranteed a minimum margin of \$22.41 per hundredweight between the wholesale cost of feed grain and hog prices on a national basis. Since the margin was above the guaranteed minimum no payments were made under the program.

Eggs - Egg support for the period October 1, 1973, to September 30, 1974, was at the 80% mandatory level, which was 28.6 cents per dozen, national basis, for Grade A Large eggs.

The national average market price to producers during the period was determined to have been above the support level and, therefore, no deficiency payments were made.

Grains - There were no deficiency payments made for wheat, oats or barley grown outside the area designated by the Canadian Wheat Board Act, in the marketing year that ended June 30, 1974.

Supports for the 1974-75 year were set at the mandatory level of 80% of the 10-year average for each of these commodities.

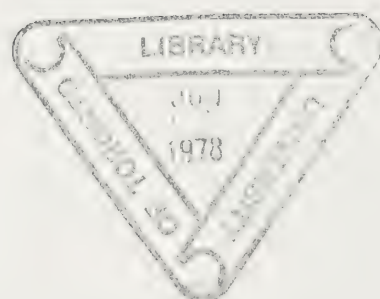
General - During the fiscal year there were 13 official Agricultural Stabilization Board meetings, 14 Agricultural Products Board meetings and, in addition, the Board met with numerous delegations and representatives of agricultural producer and processor organizations.

Officers of commodity divisions of the Production and Marketing Branch assisted the Board with various programs in their particular fields, and the Economics Branch assisted by preparing base price information and making cost and price studies relating to products actually being supported or being considered for support.

The Board provided staff assistance and equipment to enable the Canadian Dairy Commission to handle registrations and producer quotas, to maintain marketing records and to make payment arrangements as required. The cost of these services, as well as administrative costs covering some of the 1974-75 operations of the Agricultural Products Board and the "Consumer Fluid Milk" program were charged to the Board and are included in the following table.

Administration costs of Board, 1974-75

Full-time personnel	\$475,210.73
Casuals	13,999.90
Overtime	342.20
Travel	8,184.28
Postage, freight, express & cartage	380.62
Telephone & telegraph	14,952.93
Departmental publications	4,794.65
Professional & special services	10,168.90
Machine rentals	8,939.70
Materials & supplies	23,563.90
Construction, acquisition of office equipment & furniture	10,034.35
Summer students	18,051.81
	<hr/>
	\$588,623.97
	<hr/>





**1975**  
**1976**

CA1  
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# **ANNUAL REPORT**

**of the  
Agricultural  
Stabilization  
Board**

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THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT

TO

THE MINISTER OF AGRICULTURE

THE HONOURABLE EUGENE F. WHELAN, P.C., M.P.

FOR THE YEAR

1975-76

Board Members:

W.E. Jarvis, Chairman  
C.R. Phillips, Vice-Chairman  
E.J. Leroux, Member

Secretary-Manager:

A.E. Proulx



## YEAR IN REVIEW:

### THE BOARD MEMBERS

Following the retirement of Mr. S.B. Williams, Deputy Minister, who had served the Board for many years, Mr. W.E. Jarvis, Senior Assistant Deputy Minister, was appointed Chairman of the Agricultural Stabilization Board by the Governor in Council effective April 1, 1975.

Mr. C.R. Phillips, Assistant Deputy Minister, Production and Marketing Branch, was appointed a member of the Board.

Dr. R.P. Poirier resigned as a member of the Board and Dr. E.J. Leroux, Director General, Operations Directorate, Research Branch, was appointed a member with Mr. C.R. Phillips becoming Vice-Chairman.

The Board thanks both Mr. Williams and Dr. Poirier for their outstanding services.

### BILL C-50, A BILL TO AMEND THE AGRICULTURAL STABILIZATION ACT.

The legislation revising the Agricultural Stabilization Act received Royal Assent on July 30, 1975. The amended Act added corn and soybeans to the list of named commodities, deleting eggs (now under supply management through the Canadian Egg Marketing Agency) and wheat grown outside the areas designated by the Canadian Wheat Board, as well as revising butter and cheese to industrial milk and industrial cream.

The biggest change, as a result of the amendments, was in the level of support. The amended Act now provides support for named commodities at a minimum of ninety per cent of the previous five-year average market price adjusted to reflect the cash costs of production in the support year over the cash cost of production for the five years immediately preceding. Designated commodities can be supported at the percentage of the base price prescribed by the Governor in Council adjusted for cost of production changes as with the named commodities. This represents a substantial improvement over the previous Act which provided only a guarantee of 80% of the ten-year average for named commodities.

Regional programs for markets substantially different from the rest of Canada are now permitted under the Act.

The Board may, also, now enter into agreements with provinces or producers, with Governor in Council authority, to provide prescribed prices for commodities greater than that provided by the Act, with the additional costs incurred being paid by such provinces or producers, unless such an agreement would give producers, who are party to such an agreement, an undue financial advantage in the production or marketing of such commodities or that such prices would be incentives to over production.



Other sections of the amendments give the Board more flexibility in devising and implementing support programs. Work is continuing on the development of different approaches to stabilization and means of achieving greater coordination of program in order to continue to provide farmers with the financial security necessary to guarantee Canadians the required orderly increases in food production.

P.C. 1976-723 approved the Production Cost Index Regulations pursuant to subsection 8.2(1) and section 11 of the Act. This index prescribes the adjustment of the applicable percentage of the base price by the addition of the difference between the average cash costs of production of the previous five years and that of the support year.

#### ADVISORY COMMITTEE

Pursuant to Section 5 of the Act, on February 26, 1976, the Minister announced the appointment of a new Advisory Committee:

Chairman: W.D. Lea, Edmonton, Alberta

Members:	Peter Epp, Leamington, Ont.	Lorne Hehn, Markinch, Sask.
	Howard Fuller, Wolfville, N.S.	James Mayne, Kensington, P.E.I.
	Armand Guérard, Montréal, Québec.	Laurent J. Morin, Grand-Sault, N.B.
	Robert Reynolds, Delta, B.C.	Mrs. Denise Van Breda, Blenheim, Ont.

George Vercaigne,  
Brandon, Manitoba.

The Committee met twice during the fiscal year to provide advice to the Minister and the Board on the broader policy issues and strategies of agricultural stabilization.

#### PROGRAMS 1975-76:

##### NAMED COMMODITIES

##### CATTLE:

##### Beef Stabilization:

Payments under the announced program of deficiency payments of 48¢/cwt. on A, B, and C grades of cattle sold for slaughter during the





period August 12, 1974 to August 11, 1975 under authority of Order in Council P.C. 1974-2109 to March 31, 1976 amounted to \$6,310,010.16 covering 1,308,096 animals sold by 16,781 producers.

Beef Stabilization (A, B & C grades): - Aug. 12/75-Dec. 31/75

A support price for slaughter cattle was prescribed at \$43.94 and being less than the prevailing market price, no deficiency payment was indicated.

#### SHEEP:

Pursuant to the Act, a prescribed price for "good" lambs delivered during the twelve months to December 31, 1975, was calculated at \$47.70 per cwt., being 90% of the five-year average market price indexed for cash cost of production changes. Again, the market price was higher than the support price and no payments made.

#### INDUSTRIAL MILK AND INDUSTRIAL CREAM:

For the dairy year ending March 31, 1976 under authority of Order in Council P.C. 1976-518, the Board paid to the Canadian Dairy Commission \$275,000,000 for the benefit of producers in order to stabilize the price of industrial milk and cream at the prescribed price of \$11.02 per cwt. basis 3.5% butterfat. This support price represented 190% of the five-year average market price indexed for cost of production changes as set out in the new Act.

#### HOGS:

The prescribed price for hogs marketed in the period April 1, 1975 to March 31, 1976 was set at \$46.44 per cwt. representing 90% of the five-year average market price indexed for cash costs of production. Since average market prices during the year were in excess of the prescribed price, no payments were indicated.

CORN, SOYBEANS, OATS & BARLEY (produced outside the designated areas as defined in the Canadian Wheat Board Act):

Prescribed prices for these named commodities for production and marketings within the fiscal year had not been announced by March 31, 1976. Market prices for corn and soybeans are calculated from September 1 through August 31; oats and barley from August 1 through July 31. No payments were outstanding for these commodities from previous support years.



## DESIGNATED COMMODITIES:

## COWS:

A deficiency payment of \$5.08/cwt. was made on eligible cows sold for slaughter (Grades D1, D2, D3 and D4) during the period November 16, 1974 through April 30, 1975 under authority of Order in Council P.C. 1975-1005. Payments to March 31, 1976 amounting to \$5,285,904.67 were processed on 91,835 eligible cows sold for slaughter.

## POTATOES:

Order in Council P.C. 1975-1006 designated 1974 crop potatoes for support under the Act. A program was established consisting of payments to producers in Eastern Canada on eligible sales of (a) \$1.67 per cwt. for No. 1 and No. 1 Large table potatoes sold for table use; (b) \$0.77 per cwt. for uncontracted potatoes sold for processing; (c) \$1.80 per cwt. for No. 1 and No. 1 Large, potatoes diverted for live-stock feed or for starch extraction; (d) \$1.80 per cwt. for No. 1 and No. 1 Large, potatoes inspected and surplus to markets at the end of the marketing season.

As at March 31, 1976 payments of \$13,759,579.98 had been made to 3,456 producers on 8,600,000 cwts. of potatoes.

## BEEF QUALITY PREMIUMS:

Twenty-one payments amounting to \$10,205.32 were made in final adjustments of claims under the 1974 Beef Quality Premium program. Refunds of previous years expenditures were received amounting to \$148,662.12 representing refunds due as a result of differences between calculated carcass yields and actual dressed weights at certain packing plants.

## SWEET CHERRIES:

Sweet cherries grown in 1975 delivered for marketing prior to December 31, 1975 were designated for support by Order in Council 1976-384. A prescribed price of 24¢ per lb. was calculated being 90% of the five-year average market price adjusted for cost of production increases. A deficiency payment of 3½¢ per lb. was announced. Payment amounting to \$622,981.61 had been made to 2,418 producers as at March 31, 1976. Claims from producers for independent sales had not yet been received, with payments expected in the next fiscal year.

To provide market price stabilization at a time of surplus commercial inventories, the Board undertook the purchase and resale of a number of commodities using the authority of the Agricultural Products



Board Act. These included 20,868 cases of Keiffer Pears, 141,842 cases of Solid Pack Apples, 2,660,334 lbs. of Sour Cherries, 85,304 cases of Sweet Cherries and 28,543 gallons of Cherry Concentrate. As of March 31, 1976, accumulated losses of \$414,840.62 were recorded in the accounts of the Agricultural Products Board as a result of these transactions.

ADMINISTRATION EXPENSES OF THE BOARD WERE AS FOLLOWS:

Salaries	\$493,571
Casuals	127,428
Overtime	7,036
Allowances	2,702
Supplementary payroll costs	18,227
Travel	16,918
Postage & Freight	2,197
Telephone & Telegraph	24,493
Advertising	22
Professional and Special Services	74,775
Rentals	7,357
Repair and Upkeep of Equipment	950
Materials and Supplies	43,434
Office Equipment & Furnishings	14,386
Miscellaneous	20
TOTAL	<u>\$833,516</u>

The Board used 52 man-years of fulltime employment, 19.3 man-years of casuals, and as at March 31, 1976, had 53 people on strength.

During 1975-76, the staff of the Board continued to provide subsidy processing services and ~~audit~~ for the payment of consumer subsidies on skim milk powder. Payments of \$13,483,879.30 on 40,793,672 lbs. of powder were made during the fiscal year. Payments of \$15,465.69 on fluid milk of the previous years program were also made.

In addition, 1407 applications for \$998,217.19 were processed for payments of feed purchase assistance due to flooded hay lands, pursuant to an agreement signed between the Minister and the Province of Manitoba.

Subsidy processing services were, again this year, provided as "services without charge" to the Canadian Dairy Commission.



While the administration of these programs is not directly related to the functions of the Agricultural Stabilization Board, the Board does not segregate the cost of providing these services.

Administration expenses of the Agricultural Products Board are included in the total costs shown but are excluded in the financial statements attached.





AGRICULTURAL STABILIZATION BOARD

(Established by the Agricultural Stabilization Act)

Statement of Expenditure for the year ended March 31, 1976

	<u>1976</u>	<u>1975</u>
Payments to the Canadian Dairy Commission for stabilization of the price of milk for the benefit of producers	\$275,000,000	\$251,100,000
Payments under potato price support program	13,759,580	-
Deficiency payments:		
Cattle	6,310,010	-
Cow	5,285,905	-
Sweet cherries	622,981	-
Beef quality premium	10,205	46,470,824
Hogs	-	2,495
Sugar beets	-	328
	<u>12,229,101</u>	<u>46,473,647</u>
Administrative expense:		
Salaries	633,307	453,327
Other	180,119	72,917
	<u>813,426</u>	<u>526,244</u>
Provided for by government departments without charge:		
Part-time management and support services (Department of Agriculture)	311,896	51,245
Employee benefits	72,898	55,969
Accommodation	67,264	62,442
Accounting services	9,908	14,994
	<u>461,966</u>	<u>184,650</u>
	302,264,073	298,284,541
Deduct:		
Refunds of expenditure	<u>148,662</u>	<u>58</u>
Expenditure for the year	<u><u>\$302,115,411</u></u>	<u><u>\$298,284,483</u></u>
Expenditure for the year provided by:		
Agriculture Vote 20	\$300,840,019	\$297,573,589
Agriculture Vote 15	813,426	526,244
Government departments without charge	<u>461,966</u>	<u>184,650</u>
	<u><u>\$302,115,411</u></u>	<u><u>\$298,284,483</u></u>

The accompanying notes are an integral part of the financial statement

Certified correct:

Approved:

...A.E. PROULX.....  
Secretary

.....W.E. JARVIS.....  
Chairman



AGRICULTURAL STABILIZATION BOARDNotes to Financial StatementMarch 31, 1976

## Summary of accounting policies:

## Accounting policy

Administrative expenses are recorded on a cash basis modified to include payments in April relating to work performed, goods received or services rendered prior to March 31, which basis is consistent with that used by departments of the Government of Canada. All other records of payments of the Board are maintained on a cash basis.

An estimated amount for services provided without charge by government departments is included in the statement.

## Fixed assets

Purchases of furniture and equipment are recorded as an administrative expense in the year of acquisition.





OFFICE DE STABILISATION DES PRIX AGRICOLES

Notes jointes à l'état financier

le 31 mars 1976

Résumé des Conventions comptables

Convention comptable

Les dépenses d'administration sont enregistrées selon la méthode de comptabilité de caisse modifiée pour inclure les paiements en avril pour le travail exécuté, les marchandises reçues ou les services rendus avant le 31 mars; cette méthode est conforme à celle utilisée par les ministères du gouvernement canadien. Tous les autres registres de paiements de l'Office sont tenus d'après la méthode de comptabilité de caisse.

Un montant estimatif à l'égard des services fournis gratuitement par d'autres ministères, est inclus à l'état financier.

Immobilisations

Les achats de mobilier et d'équipement sont enregistrés comme dépenses d'administration l'année de leur acquisition.





## OFFICE DE STABILISATION DES PRIX AGRICOLES

(Constitué en vertu de la Loi sur la stabilisation des prix agricoles)

État des dépenses pour l'année terminée le 31 mars 1976

	1976	1975
Paiements à la Commission canadienne du lait pour stabiliser le prix du lait au bénéfice des producteurs	\$275 000 000	\$251 100 000
Paiements en vertu du programme de soutien du prix des pommes de terre	13 759 580	-
Paiements d'appoint:		
Bovins	6 310 010	-
Vache	5 285 905	-
Cérises sucrées	622 981	-
Boeuf	10 205	46 470 824
Porcs	-	2 495
Betteraves à sucre	-	328
Dépenses d'administration	12 229 101	46 473 647
Traitements	633 307	453 327
Autres	180 119	72 917
Services fournis gratuitement par les ministères	813 426	526 244
Gestion à temps partiel et services de soutien (ministère de l'Agriculture)	311 896	51 245
Prestations aux employés	72 898	55 969
Locaux	67 264	62 442
Services de comptabilité	9 908	14 994
A déduire		
Remboursements de dépenses	148 662	58
Dépenses pour l'année	\$302 115 411	\$298 284 483
Dépenses pour l'année acquittées à même le crédit 20 - Agriculture le crédit 15 - Agriculture les services fournis gratuitement par les ministères	\$300 840 019	\$297 573 589
	813 426	526 244
	461 966	184 650
Les notes ci-jointes font partie intégrante de l'état financier.	\$302,115 411	\$298 284 483

Approuvé

Le Président

W.E. JARVIS

Certifié exact

Le Secrétaire

A.E. PROULX



Cette année encore, les services de traitement des subventions ont été fournis "sans frais" à la Commission canadienne du lait.

Même si l'administration de ces programmes ne relève pas directement de l'Office de stabilisation des prix agricoles, l'Office en assume quand même les frais.

Les dépenses administratives de l'Office des produits agricoles sont comprises dans le total des frais, mais n'apparaissent pas dans l'état financier ci-joint.



Afin de stabiliser les prix lors d'un surplus de stocks sur le marché, l'Office a acheté et revendu un certain nombre de produits, conformément à la Loi sur l'Office des produits agricoles. Les transactions portaient sur 20 868 caisses de poires Keiffer, 141 842 caisses de pommes fraîches, 2 660 334 livres de cerises sures, 85 304 caisses de cerises sucrées et 28 543 gallons de concentré de cerise. Le 31 mars 1976, l'Office des produits agricoles avait enregistré des pertes s'élevant à \$414 840.62 à la suite de ces transactions.

#### DÉPENSES ADMINISTRATIVES DE L'OFFICE:

Employés à plein temps	\$493 571
Employés temporaires	127 428
Heures supplémentaires	7 036
Allocations	2 702
Frais supplémentaires	17 227
Voyages	16 918
Affranchissement et transport de marchandises	2 197
Téléphone et télégraphe	24 493
Publicité	22
Services professionnels et spéciaux	74 775
Location	7 357
Réparation et entretien de matériel	950
Fournitures et approvisionnements	43 434
Matériel de bureau et ameublement	14 386
Divers	20
TOTAL	\$833 516

L'Office a employé 52 années-hommes d'employés à plein temps, 19.3 années-hommes d'employés temporaires, et le 31 mars 1976, l'effectif réel était de 53 personnes.

En 1975-1976, le personnel de l'Office a continué de traiter les demandes et de vérifier les paiements en matière de subventions aux consommateurs pour le lait écrémé en poudre. Durant l'année financière, les paiements se sont élevés à \$13 483 879.30 pour 40 793 672 livres de lait en poudre. On a aussi versé \$15 465.69 pour les programmes des années passées en matière de lait nature.

De plus, en vertu d'un accord intervenu entre le Ministre et la province du Manitoba, 1 407 paiements s'élevant à \$998 217.19 ont été versés pour aider à l'achat de nourriture pour le bétail suite aux dégâts dus aux pluies.





## PRODUITS DESIGNÉS:

## VACHES DE BOUCHERIE:

Aux termes du décret C.P. 1975-1005 l'Office a versé un paiement d'appoint de \$5.08 les cent livres pour les vaches admissibles, vendues à l'abatage (catégories D1, D2, D3 et D4) entre le 16 novembre 1974 et le 30 avril 1975. Les paiements effectués jusqu'au 31 mars 1976 s'élevaient à \$5 285 904.67 pour 91 835 vaches de boucherie admissibles.

## POMMES DE TERRE:

Le décret C.P. 1975-1006 a désigné les pommes de terre récoltées en 1974 comme produits admissibles au soutien en vertu de la Loi. L'Office a établi un programme en vertu duquel il versait aux producteurs de l'Est du Canada pour les ventes admissibles: a) \$1.67 le quintal pour les pommes de terre de table de la catégorie n° 1, grosses et régulières; b) \$0.77 le quintal pour les pommes de terre non contractées, vendues à des fins de transformation; c) \$1.80 le quintal pour les pommes de terre n° 1, grosses et régulières, achetées pour être transformées en amidon ou pour servir de nourriture pour le bétail; d) \$1.80 le quintal pour les pommes de terre n° 1, grosses et régulières, contrôlées, ainsi que le surplus du marché à la fin de la saison.

Le 31 mars 1976, des paiements s'élevaient à \$13 759 579.98 avaient été versés à 3 456 producteurs pour 8 600 000 quintaux de pommes de terre.

## PRIMES À LA QUALITÉ DU BOEUF:

L'Office a effectué vingt-et-un paiements, totalisant \$10 205.32, pour le règlement final des demandes faites en vertu du programme de primes à la qualité du boeuf. Par ailleurs, l'Office a reçu les remboursements des dépenses d'années passées qui s'élevaient à \$148 662.12; la différence entre les prévisions et le poids réel de la production établi dans certaines usines d'empaquetage, explique ces remboursements.

## CERISES SUCRÉES:

Les cerises sucrées produites en 1975 et mises sur le marché avant le 31 décembre 1975 ont été désignées pour un programme de soutien par le décret 1976-384. Le prix prescrit a été fixé à 24 c. la livre, soit 90% du prix moyen du marché des cinq dernières années, rajusté en fonction de l'augmentation des coûts de production. On a annoncé un paiement d'appoint de 3.5 c la livre. Le 31 mars 1976, des paiements s'élevaient à 7622 981 61 avaient été versés à 2 418 producteurs. On n'avait pas encore reçu les demandes des producteurs en ce qui concerne les ventes indépendantes, et on prévoit devoir leur faire des paiements durant la prochaine année financière.



vendues pour l'abatage entre le 12 août 1974 et le 11 août 1975, se sont élevés à \$6 310 010.16; il y avait 1 308 096 animaux vendus par 16 781 producteurs.

Stabilisation du prix du boeuf (catégories A, B et C): 12 août 1975 au 31 décembre 1975.

Le prix de soutien pour les bovins de boucherie a été fixé à \$43.94; puisqu'il était inférieur au prix courant du marché, il n'y a eu aucun paiement d'appoint.

#### AGNEAUX:

En vertu de la Loi, le prix de soutien pour les bons agneaux livrés en 1975 a été fixé à \$47.70 les cent livres, soit 90% de la moyenne du prix du marché des cinq dernières années, indexé aux coûts de production. Le prix du marché était là encore plus élevé que le prix de soutien et il n'y a eu aucun paiement d'appoint.

#### LAIT ET CRÈME DE TRANSFORMATION:

Le décret C.P. 1976-518 a autorisé l'Office à verser à la Commission canadienne du lait un montant de 275 millions de dollars, pour l'année financière se terminant le 31 mars 1976, afin de venir en aide aux producteurs et de stabiliser le prix du lait et de la crème de transformation au prix prescrit de \$11.02 le quintal (teneur: 3.5% de matières grasses). Ce prix de soutien équivalait à 190% du prix moyen du marché des cinq dernières années, indexé aux coûts de production selon la nouvelle loi.

#### PORCS:

Pour la période allant du 1<sup>er</sup> avril 1975 au 31 mars 1976, le prix prescrit des porcs a été fixé à \$46.44 les cent livres, soit 90% du prix moyen du marché des cinq dernières années, indexé au coût de la production. Comme le prix moyen du marché était plus élevé que le prix prescrit, il n'y a eu aucun paiement durant l'année.

MAÏS, SOJA, AVOINE ET ORGE (produits à l'extérieur de la région désignée dans la Loi sur la Commission canadienne du blé):

Le 31 mars 1976, les prix de soutien à la production et à la commercialisation de ces produits dénommés n'avaient pas encore été annoncés pour la nouvelle année financière. La période qui sert au calcul du prix du maïs et du soja va du 1<sup>er</sup> septembre au 31 août; pour l'avoine et l'orge, elle va du 1<sup>er</sup> août au 31 juillet. Aucun paiement d'appoint n'était en souffrance pour les années passées.



D'autres articles du projet de loi donnent plus de souplesse à l'Office pour la création et la mise en oeuvre des programmes de soutien. On cherche à trouver de nouvelles méthodes de stabilisation et à mieux coordonner les programmes, afin de continuer à fournir aux cultivateurs la sécurité financière nécessaire pour assurer aux Canadiens l'augmentation régulière de la production alimentaire.

Le décret C.P. 1976-723 a entériné le règlement sur l'indice des coûts de production conformément au paragraphe 8.2(1) et à l'article 11 de la Loi. Le règlement prévoit le rajustement du pourcentage du prix de base par l'addition de la différence entre la moyenne des coûts de production des cinq dernières années et celle de l'année de soutien.

#### COMITÉ CONSULTATIF

Le 26 février 1976, le ministre a annoncé la nomination d'un nouveau comité consultatif conformément à l'article 5 de la Loi:

Président: W.D. Lea, Edmonton (Alberta)

Membres:	Peter Epp,	Leamington (Ont.)
	Lorne Hehn,	Markinch (Sask.)
	Howard Fuller,	James Mayne,
	Wolville (N.-E.)	Kensington (I.-P.-E.)
	Armand Guérard,	Laurent-J. Morin,
	Montréal (Québec)	Grand-Sault (N.-B.)
	Robert Reynolds,	Mme Denise Van Breda,
	Delta (C.-B.)	Blenheim (Ont.)

George Vercaigne,  
Brandon (Manitoba)

Au cours de l'année financière, le comité s'est réuni deux fois pour étudier les questions relatives à la stabilisation des prix et pour faire part au Ministre et à l'Office des mesures qu'il propose.

#### PROGRAMMES 1975-1976

#### PRODUITS DÉNOMMÉS

#### BOVINS:

Stabilisation du prix du boeuf:

Les paiements effectués en vertu du programme de paiements d'appoint autorisé par le décret C.P. 1974-2109 du 31 mars 1976, qui prévoyait un versement de 48 c. les cent livres sur les catégories de bovins A, B et C



Par suite du départ du sous-ministre S.B. Williams, qui a pris sa retraite après avoir travaillé pour l'Office pendant de nombreuses années, le gouverneur en conseil a nommé le premier sous-ministre adjoint, M. W.E. Jarvis, au poste de président de l'Office de stabilisation des prix agricoles. Cette nomination a pris effet le 1<sup>er</sup> avril 1975.

M. C.R. Phillips, sous-ministre adjoint, direction de la production et de la commercialisation, a été nommé membre de l'Office.

Après la démission de M. R.P. Poirier, M. E.J. Leroux, directeur général des opérations et de la recherche, a été nommé membre, tandis que M. C.R. Phillips devenait vice-président.

L'Office tient à remercier M. Williams et M. Poirier de leurs excellents services.

## LE BILL C-50 VISANT À MODIFIER LA LOI SUR LA STABILISATION DES PRIX AGRICOLES

Les modifications à la Loi sur la stabilisation des prix agricoles a reçu la sanction royale le 30 juillet 1975. La Loi modifiée ajoute le maïs et le soja à la liste des produits dénommés et en retire les oeufs (qui relèvent maintenant de la gestion des approvisionnements de l'Office canadien de commercialisation des oeufs) et le blé produit à l'extérieur des régions désignées par la Commission canadienne du blé; elle substitue aussi la désignation de lait et crème de transformation à celle de beurre et de fromage.

Le nouveau texte, et c'est là la principale modification, prévoit comme soutien pour les produits dénommés au moins quatre-vingt-dix pour cent du prix moyen du marché des cinq dernières années, rajusté pour tenir compte des coûts de production durant l'année de soutien relativement à ceux des cinq années précédentes. Le soutien des produits désignés est fixé au pourcentage du prix de base prescrit par le gouverneur en conseil, SRC rajusté en fonction de la hausse des coûts de production, comme pour les produits dénommés. C'est une amélioration importante; en effet, l'ancienne loi fixait le soutien à quatre-vingts pour cent de la moyenne des dix dernières années pour les produits dénommés.

La Loi autorise maintenant la mise sur pied de programmes particuliers pour les régions où les marchés diffèrent sensiblement des autres marchés du pays.

L'Office peut maintenant, avec l'autorisation du gouverneur en conseil, conclure des ententes avec les provinces ou les producteurs et déterminer un "prix prescrit" plus élevé que celui que prévoit la Loi (les frais supplémentaires étant absorbés par les provinces ou les producteurs), à moins que les producteurs qui signent l'entente ne retirent un avantage financier indu de la production ou de la commercialisation des produits visés ou que ces prix n'incitent à la surproduction.





OFFICE DE STABILISATION DES PRIX AGRICOLES

RAPPORT ANNUEL

1975-1976

PRÉSENTÉ AU MINISTRE DE L'AGRICULTURE  
EUGÈNE F. WHELAN, C.P.

Membres de l'Office:

W.E. Jarvis, président  
C.R. Phillips, vice-président  
E.J. Leroux, membre

Secrétaire-directeur:

A.E. Proulx

ISSN/ASB 0527-4664

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**RAPPORT  
ANNUEL**  
de l'Office  
de stabilisation  
des prix  
agricoles

**1975**  
1976



1976  

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1977

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# ANNUAL REPORT

of the  
Agricultural  
Stabilization  
Board

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ISSN/ASB 0527-4664

THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT

TO

THE MINISTER OF AGRICULTURE

THE HONOURABLE EUGENE F. WHELAN, P.C., M.P.

FOR THE YEAR

1976-77

Board Members:

W.E. Jarvis, Chairman  
G.I. Trant, Vice-Chairman  
E.J. LeRoux, Member

Secretary-Manager:

A.E. Proulx





## YEAR IN REVIEW

### THE BOARD MEMBERS

The Chairman of the Board, Mr. W.E. Jarvis, Associate Deputy Minister Agriculture Canada, was joined on the Board by Dr. G.I. Trant, Assistant Deputy Minister, Economics Branch, as Vice-Chairman effective October 28, 1976, following the retirement of C.R. Phillips.

Dr. E.J. LeRoux, Director General, Operations Directorate, Research Branch, continued for the year as the third Board member.

### HIGHLIGHTS OF ACTIVITY

The impetus achieved with the previous year's amendments of the Agricultural Stabilization Act continued in 1976-77.

In addition to major programs for named commodities, programs were announced for seven designated commodities - Summer pears, Prune-plums, Carrots, B.C. Raspberries, Apples, Early potatoes and Beef calves. A number of other commodities were under consideration at year end.

Deficiency payments of over \$28.7 million were made in eleven programs to more than 28,500 producers (not including payments made under the dairy program).

The amended Act provided for the designation of commodities on a regional basis where the market situation was deemed different in the region from that of the rest of Canada - B.C. raspberries fell in this category and were so designated.

The Board developed the Cow-calf program announced for 1977 in co-operation with various provincial programs and to use provincial registration data to avoid duplication of enrolments.

Discussions with provinces continued to enable more federal provincial harmonization of stabilization programs, with two more provinces having passed income assurance/stabilization legislation this year.

The Board also co-operated with the Office of the Auditor General in two studies - the continuing Financial Management Control Study (FMCS) of government operations and Studies in Procedures in Cost Effectiveness (SPICE). Reports from these study groups have not yet been considered by the Board for implementation.

### ADVISORY COMMITTEE

With the resignation of Mr. Armand Guerard of Montreal, Quebec, the Advisory Committee appointed by the Minister pursuant to Section 5 of the Act, was constituted as follows:

Chairman: W.D. Lea, Edmonton, Alberta

Members: Peter Epp,  
Leamington, Ontario

M. Laurent J. Morin,  
Grand-Sault, N.B.

Howard Fuller,  
Wolfville, N.S.

Robert Reynolds,  
Delta, B.C.

Lorne Hehn,  
Markinch, Sask.

Mrs. Denise Van Breda,  
Blenheim, Ontario.

James Mayne,  
Kensington, P.E.I.

George Vercaigne,  
Brandon, Manitoba.

The Committee met three times during the fiscal year providing advice to the Minister and the Board on the broader policy issues and strategies of agricultural stabilization.

PROGRAMS 1976-77:

NAMED COMMODITIES

From previous support programs:

1974 SLAUGHTER CATTLE (A, B and C grade steers and heifers)

Payments outstanding under this program authorized under Order-in-Council P.C. 1974-2109 which provided a deficiency payment of 48¢ per cwt. for all A, B and C grade steers and heifers, amounting to \$2,745,903.84 were made on 571,877 head of cattle sold for slaughter by some 11,626 producers. These payments brought the total amounts provided under this program to \$9,055,914.00 on 18.8 million cwts., liveweight.

1974 BEEF QUALITY PREMIUMS

While no payments were made under this program, recoveries on over-payments of \$346.50 were made. Legal action by the Crown to effect a further recovery has been commenced.

For 1976-77, the Agricultural Stabilization Board, pursuant to the amended Act, announced support prices for the following named commodities:

CATTLE (A, B, and C grade steers and heifers sold (for slaughter)

The prescribed price for cattle was established at \$40.16 cwt. liveweight for the period January 1, 1976 through December 31, 1976 at 95% of the five-year average market price, indexed for cash cost of production changes (P.C. 1977-112 dated January 25, 1977).

Market prices were calculated on a quarterly basis giving rise to payments of \$1.84 cwt. January through March; NIL April through June; \$3.00 cwt. July through September; and \$2.98 cwt. October through December. As of March 31, 1977, payments of \$8,444,263.68 on 3,158,000 cwts. to 2753 producers had been made. The balance of the program will be paid in the 1977-78 fiscal year.

#### H O G S

The prescribed price for hogs sold between April 1, 1976 and March 31, 1977 was set at \$50.28 cwt. dressed pork, pursuant to the Act. Since the market price for this period was \$58.92 cwt., no payment was declared.

#### S H E E P

Pursuant to the Act, the Board announced the prescribed price for "good" grade lambs at \$46.15 per cwt. sold between January 1, 1976 and December 31, 1976, being 90% of the five-year average price indexed for cash cost of production changes. The average market of \$47.09 exceeded the support level for the year and therefore, no payment was indicated.

#### INDUSTRIAL MILK AND CREAM

For the dairy year ending March 31, 1977 under authority of Order-in-Council P.C. 1976-1283 dated June 1, 1976, payments of \$233,117,732.17 were made to the Canadian Dairy Commission for the benefit of producers for the purpose of stabilizing the price of industrial milk and cream at the prescribed price of \$11.45 cwt. basis 3.5% butterfat. This prescribed price represented 171 per cent of the five-year average base price indexed for cash costs of production changes.

#### C O R N

The support price for corn, basis #2 yellow, trackside Chatham, was prescribed at \$2.18/bu. for deliveries of the 1976 crop from September 1, 1976 through August 31, 1977. The average price will only be calculated after August 31, 1977 and thus any payment can only be provided at that time.

#### S O Y B E A N S

A prescribed price of \$5.10/bu. for deliveries of soybeans, basis Ontario #2, during the same period as indicated for corn was established. The current average market prices is well above the prescribed price and no payments will be made.

OATS AND BARLEY (produced outside the designated area as defined in the Canadian Wheat Board Act).

Support prices for marketed production during the period August 1, 1976 through July 31, 1977 have not yet been calculated. No payments were outstanding from previous support years.



## DESIGNATED COMMODITIES

### Previous Year's Programs

#### D-C O W S

Payments of \$986,981.13 were made under the previous year's program authorized by P.C. 1975-1005 which gave a payment of \$5.08 cwt. on eligible cows (D1, 2, 3 and 4 grades) sold for slaughter during the period November 16, 1974 through April 30, 1975. This brought the total program cost to \$6,272,886 to 35,815 producers on 1,234,713 cwts. as at March 31, 1977.

#### P O T A T O E S

A residual claim of \$2,600.52 on 1.6 cwts. of 1974 potatoes was made under the 1974 potato program to Eastern Canada producers.

#### SWEET CHERRIES

Further payments under the 1975 Sweet Cherry Program authorized by Order-in-Council 1976-284 were made to 224 producers on 1,479,590 lbs. of cherries. This brought total payments for the 1975 program to \$674,766.87 to 2642 producers. No further payments are anticipated.

### New Programs

#### SUMMER PEARS

1975 production summer pears was designated for support under the Act at 90% of the five-year average market price indexed for cash costs of production changes. A prescribed price of \$8.8¢ per pound was authorized by Order-in-Council P.C. 1976-1442 dated June 15, 1976 and a deficiency payment of 1/2¢ per lb. approved. Payments of \$258,192.13 on 51,637,860 lbs. to 2324 producers were made as of the end of the fiscal year.

#### PRUNE-PLUMS

1975 production of prune plums was also designated for support under the Act at 90% of the five-year average market price indexed for cash cost of production changes. A prescribed price of 9.6¢ per lb. was established by Order-in-Council P.C. 1976-1441 dated June 15, 1976 and a payment of 3 1/2¢ per lb. announced. Payments of \$472,630.51 were made to 1483 producers of 13,503,660 lbs. of prune plums as at March 31, 1977.

#### C A R R O T S

Order-in-Council P.C. 1976-1838 dated July 20, 1976 authorized the designation of the 1975 carrot crop for support at 90% of the five-year average market price indexed for cash costs of production to give a prescribed price of \$50.25 per ton and a deficiency payment of \$2.25 per ton on eligible sales. Payments to 290 producers on 207,310 tons of production amounted to \$466,448.87 as of March 31, 1977.

## B.C. RASPBERRIES

The 1975 crop of B.C. raspberries was identified for support on a regional basis and Order-in-Council 1976-1984 designated the crop with a prescribed price, at the 90% level, of 32.8¢ per lb. Since the market price was established at 24.2¢ per lb., a deficiency payment of 8.6¢ per lb. was made. Payments on 8,524,600 lbs. amounted to \$733,114.52 at the end of the fiscal year with no further claims anticipated.

## A P P L E S

The 1975 apple crop was designated for support under the amended Act at the 90% level under authority of Order-in-Council P.C. 1976-1083 dated August 5, 1976. A prescribed price of 8.6¢ per lb. basis McIntosh variety was established to give a deficiency payment of 2.1¢/lb. fresh and processing sales, and 0.9¢ per lb. for juice sales. As of March 21, 1977, payments of \$12,709,650.74 had been made on 661 million lbs. of apples to some 3016 eligible producers.

## EARLY POTATOES

Order-in-Council P.C. 1977-114, dated January 27, 1977, designated early potatoes sold for table use up to and including August 31, 1976 for support under the Act. Regional programs were prescribed for Eastern and Western Canada with prescribed prices set at the 90% level, indexed for cash cost of production changes. For Western Canada, a prescribed price of \$5.20 per cwt. was established, giving a deficiency payment of \$1.80 per cwt. For Eastern Canada, a prescribed price of \$4.50 was set with the deficiency payment calculated at \$1.20 per cwt. At year end, \$1,877,016.60 had been paid on 1,450,116 cwts. to some 709 producers.

## BEEF CALVES

The government announced on January 4, 1977 a support program for beef cow-calf operators for calendar year 1977. The support level is to be set for good grade calves at 90% of the five-year average calf price (September through December) indexed for cash cost of production changes, with producers registering their beef cows on farm April 1, 1977 and the payment based on 70% of the calf crop available for marketing. No payments had been made at year end.

AGRICULTURAL STABILIZATION BOARD

ADMINISTRATION EXPENSES:

Salaries	\$658,737
Casuals	108,360
Overtime	2,829
Allowances	3,078
Travel	19,346
Postage & Freight	552
Telephone & Telegraph	28,855
Advertising	13
Professional and Special Services	12,807
Rentals	7,053
Repair and Upkeep of Equipment	1,644
Materials and Supplies	30,769
Office Equipment & Furnishings	<u>7,943</u>
TOTAL:	<u>\$881,986</u>

The Board used 58 man-years of fulltime employment, and 14 man-years of casuals.

During 1976-77, the staff of the Board continued to provide subsidy processing services and audit for the payment of consumer subsidies on skim milk powder. Payments of \$13,079,735.11 on 38,483,218 lbs. of powder were made during the fiscal year.

In addition, 5,031 applications for \$2,539,280.62 were processed for payments of feed purchase assistance due to flooded hay lands, pursuant to an agreement signed between the Minister and the Province of Manitoba.

Subsidy processing services were, again this year, provided as "services without charge" to the Canadian Dairy Commission.

Services to the Board were provided by commodity specialists from the Commodity Divisions of the Production and Marketing Branch, Agriculture Canada, and have been included under support services provided without charge.



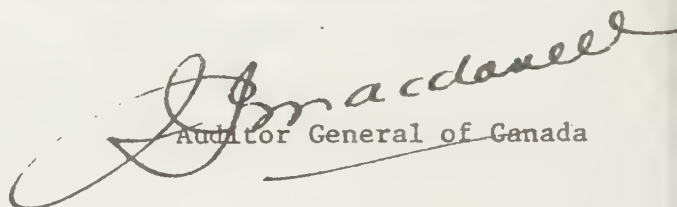
While the administration of these programs is not directly related to the functions of the Agricultural Stabilization Board, the Board does not segregate the cost of providing these services.

Administration expenses of the Agricultural Products Board are included in the total costs shown above but are excluded in the financial statement.

The Chairman and Members  
Agricultural Stabilization Board  
Ottawa, Ontario  
K1A 0C5

I have examined the statement of expenditure of the Agricultural Stabilization Board for the year ended March 31, 1977. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, the statement of expenditure presents fairly the results of the Board for the year ended March 31, 1977 in accordance with the accounting policies set out in Note 1, applied on a basis consistent with that of the preceding year.

  
Auditor General of Canada

Ottawa, Ontario

June 28, 1977

AGRICULTURAL STABILIZATION BOARD  
(Established by the Agricultural Stabilization Act)  
Statement of Expenditure for the year ended March 31, 1977

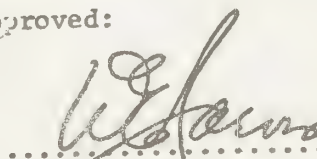
	<u>1977</u>	<u>1976</u>
Payments to the Canadian Dairy Commission for stabilization of the price of milk for the benefit of producers	\$ 233,117,732	\$ 275,000,000
Deficiency payments:		
Apples	12,709,651	-
Beef quality premium	-	10,205
Carrots	466,449	-
Cattle 1975	2,745,904	6,310,010
Cattle 1976	8,444,264	-
Cow	986,981	5,285,905
Fowl	169	-
Potatoes	1,879,617	13,759,580
Prune-plums	472,630	-
Raspberries	733,114	-
Summer pears	258,192	-
Sweet cherries	51,785	622,981
	<u>28,748,756</u>	<u>25,988,681</u>
Administrative expense:		
Salaries	758,430	633,307
Other	107,431	180,119
	<u>865,861</u>	<u>813,426</u>
Provided by government departments without charge:		
Part-time management and support services (Department of Agriculture)	81,111	311,896
Employee benefits	98,585	72,898
Accommodation	75,110	67,264
Accounting services	6,641	9,908
	<u>261,447</u>	<u>461,966</u>
	262,993,796	302,264,073
Deduct:		
Refunds of expenditure	346	148,662
Expenditure for the year	<u>\$ 262,993,450</u>	<u>\$ 302,115,411</u>
Expenditure for the year provided by:		
Agriculture Vote 20	\$ 261,866,142	\$ 300,840,019
Agriculture Vote 15	865,861	813,426
Government departments without charge	261,447	461,966
	<u>\$ 262,993,450</u>	<u>\$ 302,115,411</u>

The accompanying note is an integral part of the financial statement.

Certified correct:

Approved:

  
.....  
Secretary

  
.....  
Chairman

AGRICULTURAL STABILIZATION BOARD

Note to Financial Statement

March 31, 1977

1. Significant accounting policies:

a) Expenditure

Expenditure is recorded on a cash basis modified to include payments in April relating to work performed, goods received or services rendered prior to March 31, which basis is consistent with that used by departments of the Government of Canada.

b) Services provided without charge

An estimated amount for services provided without charge by government departments is included in the statement.

c) Fixed assets

Purchases of furniture and equipment are recorded as an administrative expense in the year of acquisition.

d) Employee termination benefits

Termination benefits accrue to employees over their service period. Payments of these benefits are made to the employees on separation or retirement and are expensed by the Board when paid.



1. Conventions comptables importantes:

- a) Dépenses
- Les dépenses sont enregistrées selon la méthode de comptabilité de caisse modifiée pour inclure les paiements en avril suivant pour le travail exécuté, les marchandises reçues ou les services rendus avant le 31 mars; cette méthode est conforme à celle utilisée par les ministères du gouvernement canadien.
- b) Services fournis gratuitement
- Un montant estimatif à l'égard des services fournis gratuitement par d'autres ministères est inclus à l'état financier.
- c) Immobilisations
- Les achats de mobilier et d'équipement sont enregistrés comme dépenses d'administration l'année de leur acquisition.
- d) Prestations de cessation d'emploi
- Les prestations de cessation d'emploi sont gagnées par les employés tout au long de leur période d'emploi. Ces prestations sont versées aux employés au moment de leur retraite ou de leur cessation d'emploi et sont imputées aux dépenses de l'année ou elles sont versées.

Etat des dépenses pour l'année terminée le 31 mars 1977

1977	1976
\$ 233,117,732	\$ 275,000,000
Paiements à la Commission canadienne du lait pour stabiliser le prix du lait au bénéfice des producteurs	
Paiements d'appoint:	
Pommes	-
Boeuf	10,205
Carottes	-
Bovins d'abatage 1975	6,310,010
Bovins d'abatage 1976	-
Vache	5,285,905
Poules	-
Patates	13,759,580
Pruneaux	-
Framboises	-
Poires	-
Cerises sucrées	622,981
28,748,756	25,988,681
758,430	633,307
107,431	180,119
865,861	813,426
Services fournis gratuitement par les ministères: Gestion à temps partiel et services de soutien (ministère de l'Agriculture)	
81,111	311,896
98,585	72,898
75,110	67,264
6,641	9,908
261,447	461,966
262,993,796	302,264,073
Déduire:	
Remboursement de dépenses	148,662
Dépenses de l'année	\$ 302,115,411
Dépenses de l'année acquittées à même le crédit 20 - Agriculture	\$ 300,840,019
le crédit 15 - Agriculture	813,426
Les services fournis gratuitement par les ministères	461,966
261,447	
\$ 262,993,450	\$ 302,115,411

Le note ci-joint partie intégrante de l'état financier.

Approuvé:

Président

Secrétaire

Certifiée exact:

Secrétaire

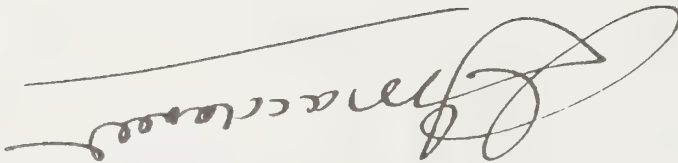


Le Président et les Membres  
Office de stabilisation des prix agricoles  
Ottawa (Ontario)  
K1A 0C5

J'ai vérifié l'état des dépenses de l'Office de stabilisation des prix agricoles pour l'année terminée le 31 mars 1977. Ma vérification a été effectuée conformément aux normes de vérification généralement reconnues, et a comporté par conséquent les sondages et autres procédés que j'ai jugés nécessaires dans les circonstances.

A mon avis, cet état des dépenses présente fidèlement les résultats de l'exploitation de l'Office pour l'année terminée le 31 mars 1977 selon les conventions comptables énoncées dans la note 1, lesquelles ont été appliquées de la même manière qu'au cours de l'année précédente.

L'Auditeur général du Canada



Ottawa (Ontario)

Le 28 juin 1977

Les services fournis à l'Office par les spécialistes en produits agricoles des Divisions de produits agricoles de la Direction de la production et des marchés, ministère de l'Agriculture, sont inclus dans l'état financier sous l'entête de services de soutien fournis gratuitement.

Même si l'administration de ces programmes ne relève pas directement de l'Office de stabilisation des prix agricoles, l'Office en assume quand même les frais.

Les dépenses administratives de l'Office des produits agricoles sont comprises dans le total des frais, mais n'apparaissent pas dans l'état financier ci-joint.

# OFFICE DE STABILISATION DES PRIX AGRICOLES

## DEPENSES ADMINISTRATIVES:

Employés à plein temps	\$658,737
Employés temporaires	108,360
Heures supplémentaires	2,829
Allocations	3,078
Voyages	19,346
Affranchissement et transport de marchandises	552
Téléphone et télégraphe	28,855
Publicité	13
Services professionnels et spéciaux	12,807
Location	7,053
Réparation et entretien de matériel	1,644
Fournitures et approvisionnements	30,769
Matériel de bureau et ameublement	7,943
TOTAL:	\$881,986

L'office a employé 58 années-hommes d'employés à plein temps et 14 hommes-années d'employés temporaires.

En 1976-77, le personnel de l'Office a continué de traiter les demandes et de vérifier les paiements en matière de subventions aux consommateurs pour le lait écrémé en poudre. Durant l'année fiscale, les paiements se sont élevés à \$13,079,735.11 pour 38,483,218 livres de lait en poudre.

De plus, en vertu d'un accord intervenu entre le Ministre et la province du Manitoba, 5,031 paiements s'élevant à \$2,539,280.62 ont été versés pour aider à l'achat de nourriture pour le bétail suite aux dégâts dus aux pluies.

Cette année encore, les services de traitement des subventions ont été fournis "sans frais" à la Commission canadienne du lait.

# POMMES DE TERRE DE VARIÉTÉ HATIVE

Les pommes de terre de variété hative vendues pour fins domestiques avant le 31 août 1976, inclusivement, ont été désignées comme produit admissible au soutien en vertu de la Loi par le décret C.P. 1977-114 du 27 janvier 1977. Les prix prescrits ont été calculés à un niveau de 90% indexés aux coûts de production, et sur une base régionale, c'est-à-dire pour l'Est et l'Ouest canadien. Le prix prescrit pour l'Ouest canadien, a été établi à \$5.20 les cent livres, donnant ainsi un paiement d'appoint de \$1.80 les cent livres. L'Est canadien a reçu un paiement d'appoint de \$1.20 les cent livres en raison d'un prix prescrit établi à \$4.50 les cent livres. Par la fin de l'année fiscale, \$1,877,016.60 avait été déboursé à 709 producteurs pour une production de 1,450,116 cent livres de pommes de terre de variété hative.

## NAISSEURS

Le gouvernement a annoncé le 4 janvier 1977 un programme de soutien pour les éleveurs de naissseurs à l'année du calendrier 1977. Le niveau de soutien sera établi à 90% de la moyenne des prix des naissseurs des cinq dernières années (septembre à décembre) indexé aux coûts de production et sera fixé pour les naissseurs de bonne catégorie. Les fermiers devront en registrer les vaches à la ferme le 1er avril 1977 et les paiements seront basés sur 70% des naissseurs disponibles au marché. Aucun paiement avait été effectué par la fin de l'année fiscale.

## P O I R E S

Les poires produites en 1975 ont été désignées comme produits admissibles au soutien sous la Loi à 90% de la moyenne des prix du marché des cinq dernières années indexé aux coûts de production. Un prix prescrit de 8.8¢ la livre et un paiement d'appoint de 1/2¢ la livre ont été autorisés et approuvés en vertu du décret P.C. 1976-1442 du 15 juin 1976. Une production de 51,637,860 livres par 2,324 producteurs a occasionné des paiements au total de \$258,192.13 par la fin de l'année fiscale.

## P R U N E A U X

La production des pruneaux de 1975 a aussi été désignée comme produit admissible au soutien sous la Loi à 90% de la moyenne des prix du marché des cinq dernières années indexé aux coûts de production. Un prix prescrit de 9.6¢ la livre a été établi suite au décret C.P. 1976-1441 du 15 juin 1976 et un paiement de 3 1/2¢ la livre a été annoncé. Au 31 mars 1977, des paiements au total de \$472,630.51 ont été versés à 1,483 producteurs pour 13,503,660 livres de pruneaux.

## C A R O T E S

Le décret C.P. 1976-1838 du 20 juillet 1976 a désigné les carottes récoltées en 1975 comme produit admissible au soutien à 90% de la moyenne des prix du marché des cinq dernières années indexé aux coûts de production, donnant un prix prescrit de \$50.25 la tonne et un paiement d'appoint de \$2.25 la tonne de ventes éligibles. Au 31 mars 1977, des paiements à 290 producteurs se sont élevés à \$466,448.87 pour 207,310 tonnes de production.

## FRAMBOISES DE C.B.

Les framboises récoltées en Colombie-Britannique en 1975 ont été identifiées comme produit admissible au soutien sur une base régionale et le décret C.P. 1976-1984 a désigné aux récoltes, à un niveau de 90%, un prix prescrit de 32.8¢ la livre. Puisque le prix du marché a été établi à 24.2¢ la livre, un paiement d'appoint de 8.6¢ la livre a été fait. Pour 8,524,600 livres de production éligible, des paiements au montant de \$733,114.52 ont été versés avant la fin de l'année fiscale et aucune autre réclamation est anticipée.

## P O M M E S

Les pommes récoltées en 1975 ont été désignées comme produit admissible au soutien en vertu de la Loi modifiée à un niveau de 90%, tel qu'autorisé par le décret C.P. 1976-1083 du 5 août 1976. Suite au prix prescrit, établi à 8.6¢ la livre, basé sur la variété McIntosh, des paiements d'appoint de 2.1¢ la livre de pommes vendues soit au marché de produits frais ou au marché de transformation et de 0.9¢ la livre de pommes vendues au commerce du jus ont été approuvés. Ainsi, au 31 mars 1977 des paiements au montant de \$12,709,650.74 ont été versés à 3,016 producteurs, représentant environ 661 millions de livres de pommes.



Le prix du soja de base #2 de l'Ontario et livré durant la même période que celle du blé a été prescrit à \$5.10 le boisseau. La moyenne des prix du marché est présentement au dessus du prix prescrit. Conséquemment, aucun paiement sera versé.

AVOINE ET ORGE (produits à l'extérieur de la région désignée dans la loi sur la Commission canadienne du blé)

Les prix de soutien pour les productions mises sur le marché entre le 1er août 1976 et le 31 juillet 1977 n'ont pas été calculés jusqu'à présent. Aucun paiement n'a été rapporté concernant les programmes de soutien antécédents.

#### PRODUITS DESIGNES

Programmes de l'année précédente

#### VACHES DE BOUCHERIE

Des paiements au montant de \$966,981.13 ont été versés sous ce programme qui a été autorisé l'année précédente par le décret C.P. 1975-1005. Un paiement de \$5.06 pour chaque cent livres de vaches éligibles (catégories D1, 2, 3 et 4) vendues à l'abatage entre le 16 novembre 1974 et le 30 avril 1975 avait alors été fixé en vertu de ce décret. Au 31 mars 1977, un total de \$6,272,886 avait été versé sous ce programme représentant 1,234,713 cent livres d'animaux vendus par 35,815 producteurs.

#### POMMES DE TERRE

Une dernière réclamation de \$2,600.52 pour 1.6 cent livres de pommes de terre produites dans l'Est canadien en 1974 a été acceptée sous ce programme.

#### CERISES SUCREES

D'autres paiements ont été versés à 224 producteurs de 1,479,590 livres de cerises sucrées sous le programme de stabilisation des cerises sucrées produites en 1975 qui a été autorisé par le décret C.P. 1975-284. Ceci porta le total des paiements pour le programme de 1975 à un montant de \$674,766.87, partagé par 2,642 producteurs. Aucun autre paiement est prévu pour ce programme.

BOVINS (bouvillons et génisses de catégories A, B et C, vendus à l'abattage)

Pour la période commençant le 1er janvier 1976 et se terminant le 31 décembre 1976, le prix prescrit pour les bovins a été fixé à \$40.16 les cent livres (poids vif), soit 95% de la moyenne des prix du marché des cinq dernières années indexé aux coûts de production (C.P. 1977-112 du 25 janvier, 1977). Les prix du marché ont été calculés sur une base trimestrielle. Il en résulte les paiements suivants: de janvier à mars, \$1.84 les cent livres; d'avril à juin, NUL; de juillet à septembre \$3.00 les cent livres et d'octobre à décembre \$2.98 les cent livres. Au 31 mars 1977, des paiements s'élevant à \$8,444,263.68 pour 3,158,000 cent livres ont été versés à 2,753 producteurs. Le solde des paiements pour ce programme sera écoulé au courant de l'année fiscale 1977-78.

## P O R C S

Conformément à la loi, le prix prescrit pour les porcs vendus entre le 1er avril 1976 et le 31 mars 1977 a été fixé à \$50.28 les cent livres. Puisque le prix du marché relatif à cette période était de \$58.92 les cent livres, aucun paiement a été déclaré.

## A G N E A U X

En vertu de la loi, le prix prescrit pour les agneaux de bonne catégorie vendus entre le 1er janvier 1976 et le 31 décembre 1976 a été fixé par l'Office à \$46.15 les cent livres, soit 90% de la moyenne des prix du marché des cinq dernières années indexé aux coûts de production. Étant donné une moyenne du prix du marché de \$47.09 pour cette même période, aucun paiement a été nécessaire.

## LAIT ET CREME DE TRANSFORMATION

Au cours de l'année fiscale terminée le 31 mars 1977, des paiements au montant de \$233,117,732.17 ont été faits à la Commission canadienne du lait, sous l'autorité du décret C.P. 1976-1283 du 1er juin 1976. Ces paiements ont été versés au bénéfice des producteurs afin de stabiliser le prix du lait et de la crème de transformation. Le prix prescrit était de \$11.45 les cent livres, à base de 3.5% de matière grasse, représentant 171 pour cent de la moyenne du prix de base des cinq dernières années indexé aux coûts de production.

## B L E D ' I N D E

Le prix de soutien pour le blé d'inde à base jaune #2, trackside Chatham, a été prescrit à \$2.18 le boisseau pour les récoltes de 1976 livrées entre le 1er septembre 1976 et le 31 août 1977. Le prix moyen sera calculé seulement après le 31 août 1977 par conséquent le paiement d'appoint sera connu subséquentement.



# COMITE CONSULTATIF

Suite à la démission de M. Armand Guérard de Montréal, Québec, le comité consultatif, tel que nommé par le ministre en vertu de l'article 5 de la Loi, était formé comme suit:

Président: W.D. Lea, Edmonton, Alberta

Membres: Peter Epp, Leamington, Ontario.  
M. Laurent J. Morin, Grand-Sault, N.B.

Howard Fuller, Wolfville, N.S.  
Robert Reynolds, Delta, B.C.

Lorne Hehn, Markinch, Sask.  
Mme Denise Van Breda, Blenheim, Ontario.

James Mayne, Kensington, P.E.I.  
George Vercaigne, Brandon, Manitoba.

Le Comité s'est rencontré trois fois au courant de l'année fiscale afin de fournir des conseils au ministre et a l'Office sur les grandes lignes concernant la politique et la stratégie de la stabilisation de produits agricoles.

## PROGRAMMES 1976-77:

### PRODUITS DENOMMES:

Pour les programmes de soutien antérieurs

BOVINS D'ABATTAGE 1974 (bouvillons et génisses de catégories A, B et C)

Suite aux termes du décret C.P. 1974-2109 qui fixait un paiement d'ap-  
point de 48¢ les cent livres pour les bouvillons et les génisses de ca-  
tégories A, B et C, des paiements au montant de \$2,745,903.84 ont été  
versés en raison des 571,877 têtes de boeufs vendues à l'abatage par  
11,626 producteurs. Ces paiements ont porté le total des versements  
pour ce programme à un montant de \$9,055,914.00 pour environ 18.8 million  
cent livres, poids vif.

## PRIMES A LA QUALITE DU BOEUF 1974

Aucun paiement a été versé pour ce programme au courant de l'année. Ce-  
pendant, l'Office a récupéré \$346.50 suite aux paiements faits en trop.  
Afin de récupérer une autre somme d'argent, la Couronne a entrepris des  
démarches juridiques.

Pour l'année 1976-77, l'Office de stabilisation des prix agricoles, conforme-  
ment à la loi modifiée, a annoncé des prix de soutien pour les produits dénom-  
més suivants:

## LES MEMBRES DE L'OFFICE

Le président de l'Office, monsieur W.E. Jarvis, sous-ministre adjoint, ministère de l'Agriculture, a été joint à l'Office par le Dr. G.I. Trant, sous-ministre adjoint, de la Direction de l'économie. La nomination du Dr. Trant au titre de vice-président de l'Office est entrée en vigueur le 28 octobre 1976, suite à la retraite de C.R. Phillips.

Le docteur E.J. LeRoux, Directeur général, Directeur des opérations, Direction des recherches, a complété l'année comme troisième membre de l'Office.

## FAITS SAILLANTS DES ACTIVITES

Le surcroît d'activité qu'a occasionné les modifications adoptées l'année passée de la loi sur la stabilisation des prix agricoles, s'est poursuivi en 1976-77.

En plus des programmes majeurs pour les produits dénommés, des programmes ont été annoncés pour sept produits désignés - les poires, carottes, framboises de C.B., pommes de terre de variété hâtive, et naisseurs. Plusieurs autres produits étaient à l'étude à la fin de l'année.

Des paiements d'appoint dépassant les \$28.7 millions ont été déboursés sous 11 programmes à plus de 28,500 producteurs (exclusivement des paiements sous le programme laitier).

Les modifications à la loi ont permis la désignation de produits, pour les régions où les marchés diffèrent sensiblement des autres marchés du pays - les framboises produites en Colombie-Britannique ont fait partie de cette catégorie de marché et ont ainsi été désignées.

L'Office a développé le programme du revenu des naisseurs, annoncé pour 1977, de façon à établir une coopération avec divers programmes provinciaux et utiliser l'information des enregistrements provinciaux afin d'éviter des inscriptions en double.

Les discussions avec les provinces se sont poursuivies afin de permettre plus d'harmonie fédérale - provinciale dans les programmes de stabilisation et conséquemment, deux autres provinces ont, au courant de l'année, légiféré l'assurance et la stabilisation des revenus.

L'Office a aussi coopéré dans deux études exécutées par l'Office de l'Auditeur général - l'étude continue sur le contrôle en gestion financière dans les opérations gouvernementales et les études sur les procédures établies pour assurer l'efficacité des dépenses encourues. Les rapports sur ces groupes d'études n'ont pas encore été considérés pour fins d'intégration.



OFFICE DE STABILISATION DES PRIX AGRICOLES

RAPPORT ANNUEL

1976-77

PRESENTE AU MINISTRE DE L'AGRICULTURE

EUGENE F. WHELAN, C.P., M.P.

Membres de l'Office:

W.E. Jarvis, président  
G.I. Trant, vice-président  
E.J. Leroux, membre

Gestionnaire - secrétaire:

A.E. Proulx

ISSN/ASB 0527-4664



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# RAPPORT ANNUEL de l'Office de stabilisation des prix agricoles

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# ANNUAL REPORT

of the  
Agricultural  
Stabilization  
Board

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ISSN/ASB 0527-4664

THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT

TO

THE MINISTER OF AGRICULTURE

THE HONOURABLE EUGENE F. WHELAN, P.C., M.P.,

FOR THE YEAR

1977-78

Board Members:

G.I. Trant, Chairman  
E.J. LeRoux, Vice-Chairman  
M.J. Heney, Member

Secretary-Manager:

A.E. Proulx



## YEAR IN REVIEW

### THE BOARD MEMBERS

Following the departure of Mr. W.E. Jarvis, Associate Deputy Minister, Agriculture Canada, after more than ten years on the Board, Dr. G.I. Trant, Senior Assistant Deputy Minister - Policy and Planning, was appointed Chairman of the Board by the Governor in Council as of October 20, 1977.

Dr. E.J. LeRoux, Assistant Deputy Minister - Research, formerly the third member of the Board, became Vice-Chairman and Mr. M.J. Heney, Assistant Deputy Minister - Food Production and Marketing, was appointed member of the Board.

The Board thanks the former Chairman, Mr. W.E. Jarvis, for his faithful service.

### ACTIVITY HIGHLIGHTS

The 1977-78 fiscal year was the busiest since the amendments to the Agricultural Stabilization Act were proclaimed in 1975.

Deficiency payments of some \$70,530,976 were made on over 108,500 claims by producers under some 16 different programs. This excludes payments made for the dairy program.

A program for grain corn, a named commodity under the Act, was provided for the first time. Designation of nine other commodities also occurred.

Continuing discussions with the provinces have taken place on the harmonization of federal-provincial stabilization programs. A number of meetings were held, with general agreement on revised proposals for basic commodity responsibilities and provincial-producer participation in support programs or income assurance plans.

Reports were received from the Office of the Auditor General of Canada in conjunction with two studies - the Financial Management Control Study (FMCS) and Studies in Procedures in Cost Effectiveness (SPICE). The Board has implemented a number of administrative changes as a result of the former and is currently studying the conclusions presented in the latter.

### ADVISORY COMMITTEE

The members of the Advisory Committee, appointed by the Minister pursuant to Section 5 of the Act, met three times during the year. The Committee was constituted as follows:

Chairman: W.D. Lea, Edmonton, Alberta

Members: Peter Epp,  
Leamington, Ontario

Robert Reynolds,  
Delta, B.C.

Howard Fuller,  
Wolfville, N.S.

Denise Van Breda,  
Blenheim, Ontario

Lorne Hehn,  
Markinch, Sask.

George Vercaigne,  
Brandon, Manitoba

James Mayne,  
Kensington, P.E.I.

At the year end, vacancies existed for members of the Committee from both Quebec and New Brunswick.

#### PROGRAMS 1977-78:

#### NAMED COMMODITIES

From previous support programs:

##### 1974 Slaughter Cattle

Payments outstanding under this program, authorized under Order in Council P.C. 1974-2109, amounted to \$8,871.17 and were made on 1,891 head of cattle weighing 18,637 cwt. and sold for slaughter by some 42 producers. These payments brought the total amounts provided under this program to \$9,064,864.85 for 1,881,876 head of cattle weighing 18.9 million cwt. by some 28,450 producers.

##### 1974 Beef Quality Premiums

While no payments were made under this program, recovery of \$38.00 of previous year's expenditures were made. Legal action by the Crown to effect a further recovery has been initiated and is expected to be successful.

##### 1976 Slaughter Cattle (A, B, and C grade steers and heifers sold for slaughter)

Payments made for this program under Order in Council P.C. 1977-112 dated January 25, 1977, were \$37,682,079.75 on 14,226,809 cwt. to 24,184 producers for the year 1977-78. These payments brought total program expenditures to \$46,126,343.43 on 17,385,113 cwt. to 26,937 producers as of the end of the 1977-78 fiscal year.

An audit contract with Coopers and Lybrand was entered into through the Department of Supply and Services to ensure the application of this program in a fair and consistent manner. The audit undertaken included verification of producers' source documentation. The report received from the auditors indicated to the Board implementation in accordance with the intent of the program.

Current Year:

1977 Slaughter Cattle (A, B, and C grade steers and heifers sold for slaughter)

The prescribed price for slaughter cattle for the 1977 production year (calendar year), calculated at the minimum under the Act of 90% of the five-year average market price indexed for cash cost of production changes, was \$36.54 per cwt. Since the weighted average market price for the year was \$40.19 per cwt., no deficiency payment was indicated and no payment program was announced as of March 31, 1978.

Hogs

The prescribed price for hogs sold during the year April 1, 1977 to March 31, 1978, was set at \$52.81 per cwt. in accordance with the Act. Since the weighted average market price was \$63.60 per cwt., no deficiency payments were authorized.

Sheep

Pursuant to the Act, the prescribed price for "good grade lambs" sold between January 1, 1977 and December 31, 1977, was set at \$45.65 per cwt. The weighted average market price was recorded at \$57.19 per cwt. and no deficiency payments were made.

1977-78 Industrial Milk and Cream

For the dairy year ending March 31, 1978, under Order in Council P.C. 1976-1283 dated June 1, 1976, payments of \$35,400,000 were authorized. Also for the dairy year ending March 31, 1978, under Order in Council P.C. 1977-1581 dated June 9, 1977, payments of \$258,180,000 were authorized, bringing total payments that were made to the Canadian Dairy Commission for the benefit of producers for the purpose of stabilizing the price of industrial milk and cream to \$293,580,000.

### 1976 Corn

Under Statutory authorization, a prescribed price of \$2.18 per bushel was announced, giving a deficiency payment of \$0.06 per bushel to be paid to qualifying producers. The crop year used for corn is from September 1, 1976 through August 31, 1977. Producers were eligible for payment on a maximum of 39,000 bushels. A commitment to utilize the same administrative criteria for any 1977 program in conjunction with the Province of Ontario was provided. Total expenditure for the fiscal year 1977-78 was \$2,157,396.60 for 35,956,610 bushels of corn to 6,266 producers.

### 1976 Soybeans

A prescribed price of \$5.10 per bushel for deliveries of soybeans, basis Ontario #2, during the same period as indicated for corn was established. The average market price was \$7.04 per bushel. Since it was above the prescribed price, no payments were made.

### Oats and Barley (produced outside the designated area as defined in the Canadian Wheat Board Act)

Oats: A prescribed price of \$1.39 per bushel was set for oats delivered and sold between August 1, 1976 and July 31, 1977. The average market price was calculated at \$1.51 per bushel and no deficiency payment was authorized.

Barley: For sales of barley during the same period as indicated for oats, a prescribed price of \$1.85 per bushel was authorized. The market price was \$1.99 per bushel and no payment was declared.

## DESIGNATED COMMODITIES

### Previous Years' Programs

#### 1974 D-Cows

Payments of \$1,660.24 for 33,758 lbs. to 12 producers were made under the previous year's program authorized by Order in Council P.C. 1975-1005. This brought the total program cost to \$6,274,546.04 for 123,505,012 lbs. to 35,827 producers as at March 31, 1978.

#### 1977 Beef Cow-Calf

The Government announced the details of payments under the support program for beef cow-calf operators on February 24, 1978, under authority of Order



in Council P.C. 1978-576. For this program, beef calves were designated under the Agricultural Stabilization Act for support, but payments were made on the basis of beef cows held on farm as of April 1, 1977.

The support price (at 95% of the previous five-year average indexed for cash cost changes) of \$45.52 per cwt. was calculated on beef calf sales for September to December 1977. The actual weighted market returns were \$42.26 per cwt., giving a deficiency payment of \$3.26 per cwt. With an average weight of 450 lb., an 85% calf crop, and 15% retention for herd replacements, a payment of \$10.27 per beef cow enrolled was made up to a maximum of 95 beef cows. For producers with their animals already enrolled in provincial programs, this rate was \$5.14 per cow, being included as part of the market return before calculating provincial payouts.

Payments of \$23,815,903.81 were made on 2,579,000 beef cows to 72,360 producers during the fiscal year 1977-78.

#### 1975 Prune-Plums

No payments were actually made under this program, but \$159.01 was recovered as a previous year's expenditure.

#### 1975 Summer Pears

While no payments were made under this program, recovery of \$12.90 of previous year's expenditures was made.

#### 1975 Apples

Payments of \$136,305.19 were made under the previous year's program authorized by Order in Council P.C. 1977-1701 dated June 23, 1977. This brought total program costs to \$12,845,955.93, aiding some 3,037 producers.

#### 1976 Early Potatoes

The early potato program, authorized under Order in Council P.C. 1977-14 on January 27, 1977, was extended by Order in Council P.C. 1977-1960 dated July 14, 1977, to cover sales of potatoes for processing use as well as table sales. For fiscal year ending, claims of \$1,072,983.40 were paid to 494 producers, bringing payments to \$2,950,000 to 1,203 producers.

### 1976 Greenhouse Crops

Cucumbers: A prescribed price of \$2.61 per dozen was authorized under Order in Council P.C. 1977-1702 dated June 23, 1977. With the weighted average market price of \$2.47 per dozen, a deficiency payment of \$0.14 per dozen was provided. Payments totaling \$275,513.08 on 1,967,950 dozen were made to 258 applicants under this program.

Tomatoes: Order in Council P.C. 1977-1703 dated June 23, 1977, provided a support price of 36¢ per lb. for 1976 greenhouse tomatoes. This price, as well as that of cucumbers, was set at 100% of the five-year average market price indexed for cash cost of production changes. The market price was established at 34.4¢ per lb. and a deficiency payment of 1.6¢ per lb. was made. Payments totaled \$437,109.24 on 27,319,333 lb. of tomatoes to 313 producers. Producers were eligible for payments on a maximum of \$8,000 per production unit in total produce (tomatoes and/or cucumbers).

### 1976 Apricots

Order in Council P.C. 1977-1298 dated May 12, 1977, set a prescribed price (90% level) of 11.4¢ per lb. for 1976 B.C. grown apricots. Using the weighted average market price of 8.8¢ per lb., a deficiency payment of 2.6¢ per lb. was paid to producers up to a maximum of 60,000 lb. per production unit. A total of \$128,921.30 was paid to 380 producers on 4,958,511 lb. of apricots as of March 31, 1978.

### 1976 Sweet Cherries

A deficiency payment of 9.3¢ per lb. to B.C. sweet cherry producers was approved under Order in Council P.C. 1977-1299 dated May 12, 1977. A prescribed price (90% level) of 27.6¢ per lb. had been set, with the market returning 18.3¢ per lb. to producers. Eligibility was limited to a maximum of 50,000 lb. per producer. Total payments of \$1,321,219.97 were made on 14,206,654 lb. of cherries to 1,324 producers as of March 31, 1978.

### 1976 Prune-Plums

Prune-plums were also designated for support (90% level). Under Order in Council P.C. 1977-1300 dated May 12, 1977, a support price of 8.2¢ per lb. was set. With the market returning an average of 3.9¢ per lb., a deficiency payment of 4.3¢ per lb. was authorized on a maximum of 50,000 lb. per producer. Payments of \$326,454.27 to 749 producers were made on 7,591,933 lb. of prune-plums as of the fiscal year end.

### 1976 Summer Pears

A prescribed price for 1976 summer pears, sold up to December 31, 1976, was approved by Order in Council P.C. 1977-1301 dated May 12, 1977. The market price averaged 5.4¢ per lb. and a deficiency payment of 3.3¢ per lb. was made, totaling \$930,443.26 on 28,195,220 lb. of pears to 1,159 producers. A maximum eligibility of 100,000 lb. per production unit was allowed by the Board.

### 1976 Sugar Beets

The 1976 sugar beet crop was designated for support at 80% of the five-year average market price indexed for cash costs of production, giving a prescribed price of \$28.75 per standard ton (yielding 250 lb. sugar). Average market returns of \$27.82 per standard ton were calculated with a deficiency payment of \$0.93 per standard ton authorized.

The price series used was that of the Prairie market, with the deficiency payment being provided to growers in other provinces based on average provincial yields. This gave payments of \$0.98 in Alberta, \$1.02 in Manitoba, and \$0.87 in Quebec per delivered ton of beets. Producers in the Maritimes received the standard rate of \$0.93 per ton for all beets delivered or on which settlement had been received.

Payments totaling \$1,243,992.46 were made to 1,575 producers on 1,266,789 tons of beets as of March 31, 1978.

### 1976 B.C. Late Potatoes

Order in Council P.C. 1978-8 dated January 12, 1978, provided for assistance to B.C. late potato producers who experienced marketing difficulties throughout the whole of the crop year. A prescribed price of \$3.75 per cwt. was calculated against a weighted average market price of \$2.95 per cwt. plus \$0.12 per cwt. equivalent as paid under the early potato program. Producers were eligible for the \$0.68 per cwt. payment up to the maximum of \$10,800 inclusive of assistance received under the early potato program. Payments of \$454,815.40 were made, bringing total assistance on 1976 potatoes to \$3,404,815.40 on 2,870,475 cwt. to 1,319 producers.

### 1976 Winter Pears

Winter pears (B.C.) were designated for support under the Agricultural Stabilization Act at 90% of the five-year average market price indexed for cash cost changes to give a prescribed price of 9.4¢ per lb. under

Order in Council authority P.C. 1978-339 dated February 9, 1978. The weighted average market price of 5.2¢ per lb. gave rise to a deficiency payment to B.C. growers of 4.2¢ per lb. on a maximum of 100,000 lb. per production unit. Payments of \$530,209.30 were made to 587 growers on 12,624,031 lb. of pears as of March 31, 1978.

#### 1977 Sweet Cherries

The designation of the 1977 sweet cherry crop was approved by Order in Council P.C. 1978-408 dated February 16, 1978. The prescribed price (90% level) was set at 26.2¢ per lb. as compared to a weighted average market price of 23.4¢ per lb., giving a deficiency payment of 2.8¢ per lb. Producers were eligible for payment on a maximum of 50,000 lb. As of March 31, 1978, only 21 producers had received payments totaling \$7,097.82 on 253,493 lb.; the balance of producers are to receive payment in the 1978-79 fiscal year.

#### 1977 Apricots

A prescribed price (90% level) of 11.7¢ per lb. was authorized under Order in Council P.C. 1978-481 dated February 23, 1978. The weighted average market return was recorded at 10.2¢ per lb. and a deficiency payment of 1.5¢ per lb. was authorized. Producers were eligible on a maximum of 60,000 lb. of apricots per production unit. As of the end of the fiscal year, payments had not yet been made.

AGRICULTURAL STABILIZATION BOARD

ADMINISTRATION EXPENSES:	1977-78	(1976-77)
Salaries - full-time personnel	\$ 704,164	(\$658,737)
- casual personnel	134,219	( 108,360)
Overtime	2,848	( 2,829)
Allowances and Supplementary Costs	11,799	( 3,078)
Travel	14,335	( 19,346)
Postage and Freight	857	( 552)
Telephone and Telegraph	25,801	( 28,855)
Advertising	6,629	( 13)
Professional and Special Services	80,566	( 12,807)
Rentals	7,356	( 7,053)
Repair and Upkeep of Equipment	16	( 1,644)
Materials and Supplies	32,524	( 30,769)
Equipment and Furnishings	7,277	( 7,943)
	<hr/>	<hr/>
Total	\$1,028,391	(\$881,986)

The Board used 56 manyears of full-time employment and 16 manyears of casuals. During 1977-78, the staff of the Board continued to provide subsidy processing services for the payment of consumer subsidies on skim milk powder. Payments of \$12,952,000 on 38,094,118 lb. of powder were made during the fiscal year 1977-78.

Under the Pregnant Mare's Urine Program, 219 producers were paid \$945,572 for 945,572 gallons.

Subsidy processing services, as in past years, were provided as "services without charge" to the Canadian Dairy Commission.

Services to the Board were provided by commodity specialists from the Commodity Divisions of the Food Production and Marketing Branch, Agriculture Canada, and have been included under support services provided without charge. While the administration of these programs is not directly related to the functions of the Agricultural Stabilization Board, the Board does not segregate the cost of providing these services.

Administration expenses of the Agricultural Products Board are included in the total costs shown above but are excluded in the financial statements.



The Chairman and Members  
Agricultural Stabilization Board  
Ottawa, Ontario

I have examined the statement of expenditure of the Agricultural Stabilization Board for the year ended March 31, 1978. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances except that, with respect to the cattle deficiency payments shown in the statement of expenditure in the amount of \$37,690,951, I was unable to examine the documents supporting claims as they had been returned to the producers.

In my opinion, except for the effect of adjustments which might have been required had I been able to examine the documents supporting claims with respect to the cattle deficiency payments, the statement of expenditure presents fairly the results of the Board for the year ended March 31, 1978, in accordance with the accounting policies set out in Note 1, applied on a basis consistent with that of the preceding year.



Auditor General of Canada

Ottawa, Ontario  
June 15, 1978

AGRICULTURAL STABILIZATION BOARD  
(Established by the Agricultural Stabilization Act)

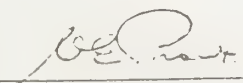
Statement of Expenditure  
for the year ended March 31, 1978

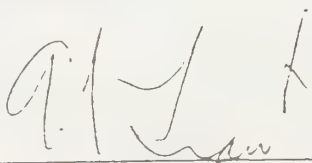
	<u>1978</u>	<u>1977</u>
Payments to the Canadian Dairy Commission for stabilization of the price of milk for the benefit of producers	\$ 293,580,000	\$ 233,117,732
Deficiency payments:		
Apples	136,305	12,709,651
Apricots	128,921	
Carrots		466,449
Cattle	37,690,951	11,190,168
Corn 1976	2,157,397	
Cow	1,660	986,981
Cow-Calf	23,815,904	
Fowl		169
Greenhouse	712,622	
Pears	1,460,652	258,192
Potatoes	1,527,799	1,879,617
Prune-plums	326,454	472,630
Raspberries		733,114
Sugar beets	1,243,992	
Sweet cherries	<u>1,328,319</u>	<u>51,785</u>
	70,530,976	28,748,756
Administrative expense:		
Salaries	835,969	758,430
Other	<u>171,854</u>	<u>107,431</u>
	1,007,823	865,861
Provided by government departments without charge:		
Part-time management and support services (Department of Agriculture)	235,729	81,111
Employee benefits	120,810	98,585
Accommodation	91,476	75,110
Accounting services	<u>20,495</u>	<u>6,641</u>
	<u>468,510</u>	<u>261,447</u>
	365,587,309	262,993,796
Deduct:		
Refunds of expenditure	<u>210</u>	<u>346</u>
Expenditure for the year	<u>\$ 365,587,099</u>	<u>\$ 262,993,450</u>
Expenditure for the year provided by:		
Agriculture Vote 20	\$ 364,110,766	\$ 261,866,142
Agriculture Vote 15	1,007,823	865,861
Government departments without charge	<u>468,510</u>	<u>261,447</u>
	<u>\$ 365,587,099</u>	<u>\$ 262,993,450</u>

The accompanying notes are an integral part of the financial statement.

Certified correct:

Approved:

  
Secretary

  
Chairman



AGRICULTURAL STABILIZATION BOARD

Notes to Financial Statement  
March 31, 1978

1. Significant accounting policies

a) Expenditure

Expenditure is recorded on a cash basis modified to include payments in April relating to work performed, goods received or services rendered prior to March 31, which basis is consistent with that used by departments of the Government of Canada.

b) Services provided without charge

An estimated amount for services provided without charge by government departments is included in the statement.

c) Fixed assets

Purchases of furniture and equipment are recorded as an administration expense in the year of acquisition.

d) Employee termination benefits

Termination benefits accrue to employees over their service period. Payments of these benefits are made to the employees on separation or retirement and are expensed by the Board when paid.

2. Payments to the Canadian Dairy Commission

Payments by the Canadian Dairy Commission for the stabilization of the price of milk for the benefit of producers are paid to producers approximately two months after entitlement. The Commission changed its method of obtaining funds from the Agricultural Stabilization Board on April 1, 1976. The Commission drew funds prior to this date during the month of entitlement and subsequent to this date during the month of payment to producers. This change in method resulted in the Commission obtaining funds for twelve payments during 1977-78 whereas in 1976-77 funds for only ten payments were obtained. Comparable amounts for a twelve-month period were \$293,580,000 for 1977-78 and \$273,982,297 for 1976-77.

3. Comparative figures

Certain figures for the previous year have been restated to conform to the current year's presentation.

# OFFICE DE STABILISATION DES PRIX AGRICOLES

Notes à l'état financier  
du 31 mars 1978

## 1. Conventions comptables importantes

### a) Dépenses

Les dépenses sont enregistrées selon la méthode de comptabilité de caisse modifiée pour inclure les paiements en avril suivant pour le travail exécuté, les marchandises reçues ou les services rendus avant le 31 mars; cette méthode est conforme à celle utilisée par les ministères du gouvernement canadien.

### b) Services fournis gratuitement

Un montant estimatif à l'égard des services fournis gratuitement par d'autres ministères est inclus à l'état financier.

### c) Immobilisations

Les achats de mobilier et d'équipement sont enregistrés comme dépenses d'administration l'année de leur acquisition.

### d) Prestations de cessation d'emploi

Les prestations de cessation d'emploi sont accumulées par les employés tout au long de leur période d'emploi. Ces prestations sont versées aux employés au moment de leur retraite ou de leur cessation d'emploi et sont imputées aux dépenses de l'année où elles sont versées.

## 2. Paiements à la Commission canadienne du lait

Les paiements par la Commission canadienne du lait pour stabiliser le prix du lait au bénéfice des producteurs sont versés aux producteurs environ deux mois après leur éligibilité. La Commission a modifié sa méthode d'obtenir les fonds de l'Office de stabilisation des prix agricoles le 1<sup>er</sup> avril 1976. La Commission a tiré des fonds avant cette date au cours du mois de l'éligibilité et après cette date au cours du mois du paiement aux producteurs. Ce changement de méthode a fait que la Commission a obtenu des fonds pour douze paiements au cours de l'année 1977-1978 alors qu'au cours de l'année 1976-1977 des fonds pour seulement dix paiements avaient été obtenus. Les montants comparables pour une période de douze mois auraient été de \$293,580,000 en 1977-1978 et de \$273,982,297 en 1976-1977.

## 3. Chiffres comparatifs

Certains chiffres pour l'année précédente ont été redressés afin de se conformer à la présentation de l'année courante.

OFFICE DE STABILISATION DES PRIX AGRICOLES  
(Constituée en vertu de la Loi sur la stabilisation des prix agricoles)

Etat des dépenses  
pour l'année terminée le 31 mars 1978

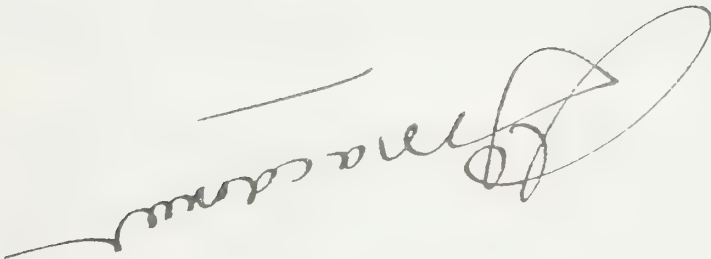
1978	1977
Paiements à la Commission canadienne du lait pour stabiliser le prix du lait au bénéfice des producteurs	\$ 293,580,000
Paiements d'appoint	136,305
Pommes	128,921
Abricots	12,709,651
Carottes	466,449
Bovins d'abatage	11,190,168
Mais 1976	986,981
Vaches	169
Moutons	258,192
Potres	1,879,617
Patates	472,630
Pruniaux	733,114
Framboises	51,785
Betteraves Sucrières	1,328,319
Cerises Sucrières	1,243,992
Services fournis gratuitement par les ministères (ministère de l'Agriculture)	70,530,976
Gestion à temps partiel et services de soutien aux employés	23,815,904
Préstations aux employés	1,660
Locaux	2,157,397
Services de comptabilité	37,690,951
Déduire	326,454
Remboursement de dépenses	1,527,799
Dépenses de l'année	1,460,652
Dépenses de l'année acquittées à même le crédit 20 - Agriculture	712,622
le crédit 15 - Agriculture	1,460,652
Les services fournis gratuitement par les ministères	1,527,799
Les notes ci-jointes font partie intégrante de l'état financier.	326,454
Approuvé:	23,815,904
Secrétaire	1,660
Président	2,157,397

Le Président et les Membres  
Office de stabilisation des prix agricoles  
Ottawa (Ontario)

J'ai vérifié l'état des dépenses de l'Office de stabilisation des prix agricoles pour l'année terminée le 31 mars 1978. Ma vérification a été effectuée conformément aux normes de vérification généralement reconnues, et a comporté par conséquent les sondages et autres procédés que j'ai jugés nécessaires dans les circonstances sauf que, pour ce qui a trait aux paiements d'appoint pour les bovins d'abatage de \$37,690,951 démontrés à l'état des dépenses, je n'ai pu vérifier les pièces à l'appui des réclamations puisqu'elles avaient été retournées aux producteurs.

A mon avis, à l'exception de l'effet des redressements qui auraient pu être exigés si j'avais pu vérifier les pièces à l'appui des réclamations concernant les paiements d'appoint pour les bovins d'abatage, l'état des dépenses présente fidèlement les résultats de l'exploitation de l'Office pour l'année terminée le 31 mars 1978 selon les conventions comptables énoncées dans la Note 1, lesquelles ont été appliquées de la même manière qu'au cours de l'année précédente.

Le Vérificateur général du Canada,



Ottawa (Ontario)  
Le 15 juin 1978

# OFFICE DE STABILISATION DES PRIX AGRICOLES

## DEPENSES ADMINISTRATIVES

	1977-78	(1976-77)
Salaires - employés à plein temps	\$ 704,164	(\$ 658,737)
- employés temporaires	134,219	(108,360)
Heures supplémentaires	2,848	(2,829)
Allocations	11,799	(3,078)
Voyages	14,335	(19,346)
Affranchissement et transport de marchandises	857	(552)
Téléphone et télégraphe	25,801	(28,855)
Publicité	6,629	(13)
Services professionnels et spéciaux	80,566	(12,807)
Location	7,356	(7,053)
Réparation et entretien de matériel	16	(1,644)
Fournitures et approvisionnements	32,524	(30,769)
Matériel de bureau et ameublement	7,277	(7,943)
<b>TOTAL</b>	<b>\$1,028,391</b>	<b>(\$881,986)</b>

L'Office a employé 56 années-hommes d'employés à plein temps et 16 années-hommes d'employés temporaires. En 1977-78, le personnel de l'Office a continué de traiter les demandes et de vérifier les paiements en matière de subvention aux consommateurs pour le lait écrémé en poudre. Durant l'année fiscale 1977-78, les paiements se sont élevés à \$12,952,000 pour 38,094,118 livres de lait en poudre.

Sous le programme d'urine de juments gravides, 219 producteurs ont reçu \$945,572 pour 945,572 gallons.

Cette année encore, les services de traitement des subventions ont été fournis "sans frais" à la Commission Canadienne du Lait.

Les services fournis à l'Office par les spécialistes en produits agricoles des Divisions de produits agricoles de la Direction de la production et de la commercialisation des aliments, ministère de l'Agriculture, sont inclus dans l'état financier sous l'entête de services de soutien fournis gratuitement. Même si l'administration de ces programmes ne relève pas directement de l'Office de stabilisation des prix agricoles, l'Office en assume quand même les frais.

Les dépenses administratives de l'Office des produits agricoles sont comprises dans le total des frais, mais n'apparaissent pas dans l'état financier ci-joint.



#### POIRES 1976 (variété tardive)

Les poires de variété tardive (C.B.) ont été désignées au soutien sous la Loi sur la stabilisation des prix agricoles à 90% de la moyenne des prix de vente des cinq dernières années indexé en fonction des changements aux coûts comptants de production pour ainsi donner un prix prescrit de 9.4¢ la livre, en vertu du décret C.P. 1978-339 du 9 février 1978. La moyenne pondérée des prix de vente de 5.2¢ la livre a donc donné lieu à un paiement d'appoint de 4.2¢ la livre aux producteurs de la C.B., jusqu'au maximum de 100,000 livres par unité de production. Au 31 mars 1978, des paiements de \$530,209.30 ont été versés à 587 cultivateurs pour 12,624,031 livres de poires.

#### CERISES SUCREES 1977

La désignation des récoltes de cerises sucrées 1977 a été approuvée par le décret C.P. 1978-408 du 16 février 1978. Le prix prescrit (au niveau de 90%) a été fixé à 26.2¢ et, comparé à une moyenne pondérée des prix de vente 23.4¢ la livre, donne un paiement d'appoint de 2.8¢ la livre. Les producteurs étaient admissibles pour paiements jusqu'au maximum de 50,000 livres. Au 31 mars 1978, seulement 21 producteurs avaient reçu des paiements au total de \$7,097.82 pour 253,493 livres; le restant des producteurs recevront un paiement au courant de l'année fiscale 1978-79.

#### ABRICOTS 1977

Un prix prescrit (au niveau de 90%) de 11.7¢ la livre a été autorisé en vertu du décret C.P. 1978-481 du 23 février 1978. La moyenne pondérée des revenus au marché a été enregistrée à 10.2¢ la livre et un paiement d'appoint a été autorisé à 1.5¢ la livre. Les producteurs étaient admissibles à un maximum de 60,000 livres de haricots par unité de production. Au terme de l'année fiscale, les paiements n'avaient toujours pas été versés.

#### POIRES 1976 (variété hâtive)

Un prix prescrit pour les poires 1976 de variété hâtive vendues jusqu'au 31 décembre 1976 a été approuvé par le décret C.P. 1977-1301 du 12 mai 1977. En moyenne, le prix de vente était 5.4¢ la livre et un paiement d'appoint de 3.3¢ la livre a été versé, pour un total de \$930,443.26 pour 28,195,220 livres de poires à 1,159 producteurs. Une admissibilité maximum de 100,000 livres par unité de production a été permise par l'Office.

#### BETTERAVES A SUCRE 1976

La récolte de betteraves à sucre 1976 a été désignée au soutien à 80% de la moyenne du prix de vente des cinq dernières années indexé en fonction des changements aux coûts comptants de production, donnant un prix prescrit de \$28.75 la tonne standard (rendement de 250 livres de sucre). La moyenne des revenus au marché a été calculée à \$27.82 la tonne standard et un paiement d'appoint autorisé à \$0.93 la tonne standard.

La série de prix utilisée provenait du marché des prairies et le paiement d'appoint fournis aux cultivateurs des autres provinces a été basé sur la moyenne des rendements provinciaux. Ceci a donné des paiements de \$0.98 en Alberta, \$1.02 au Manitoba et \$0.87 au Québec, pour chaque tonne de betteraves livrée. Les producteurs des maritimes ont reçu le taux standard de \$0.93 la tonne pour toutes les betteraves livrées ou pour lesquelles des engagements avaient été reçus.

Au 31 mars 1978, des paiements au total de \$1,243,992.46 ont été versés à 1,575 producteurs pour 1,266,789 tonnes de betteraves.

#### POMMES DE TERRE (variété tardive) DE LA C.B. 1976

Le décret C.P. 1978-8 du 12 janvier 1978 a fourni de l'aide aux producteurs de pommes de terre de variété tardive de la C.B. qui ont ressentis des problèmes au marché au courant de l'entière année de récolte. Un prix prescrit de \$3.75 les cent livres a été calculé contre une moyenne pondérée des prix de vente de \$2.95 les cent livres plus l'équivalent de \$0.12 les cent livres payées sous le programme des pommes de terre de variété hâtive. Les producteurs étaient admissibles au paiement de \$0.68 les cent livres jusqu'au maximum de \$10,800, y compris l'aide reçue sous le programme des pommes de terre de variété hâtive. Des paiements de \$454,815.40 ont été versés portant le total de l'aide pour les pommes de terre de 1976 à \$3,404,815.40 pour 2,870,475 cent livres, à 1,319 producteurs.



douzaine, le paiement d'appoint a été fixé à \$0.14 la douzaine. Des paiements au total de \$275,513.08 sur 1,967,950 douzaines ont été versés à 258 réclameurs sous ce programme.

#### TOMATES:

Le décret C.P. 1977-1703 du 23 juin 1977 a autorisé un prix de soutien de \$0.36 la livre pour les tomates de serres de 1976. Ce prix, ainsi que celui pour les concombres, a été établi à 100% de la moyenne des prix de vente indexé en fonction des changements aux coûts comptants de production. Le prix de vente a été établi à 34.4¢ la livre et le paiement d'appoint a été versé à 1.6¢ la livre. Les paiements ont atteint \$437,109.24 pour 27,319,333 livres de tomates et ont été versés à 313 producteurs. Les producteurs étaient admissibles au paiement à un maximum de \$8,000 par unité de production, pour le total des produits combinés (tomates et/ou concombres).

#### ABRICOTS 1976

Le décret C.P. 1977-1298 du 12 mai 1977 a établi un prix prescrit (niveau de 90%) de 11.4¢ la livre pour les abricots 1976 cultivés en C.B. En utilisant une moyenne des prix de vente de 8.8¢ la livre, un paiement d'appoint de 2.6¢ la livre a été payé aux producteurs, jusqu'à un maximum de 60,000 livres par unité de production. Au 31 mars 1978, un total de \$128,921.30 avait été versé à 380 producteurs pour 4,958,511 livres d'abricots.

#### CERISES SUCREES 1976

Un paiement d'appoint de 9.3¢ la livre pour les producteurs de cerises sucrées de la C.B. a été autorisé par le décret C.P. 1977-1299 du 12 mai 1977. Un prix prescrit (à un niveau de 90%) de 27.6¢ la livre avait été établi, alors qu'au marché, les producteurs recevaient 18.3¢ la livre. L'admissibilité a été limitée à un maximum de 50,000 livres par producteur. Au total, des paiements de \$1,321,219.97 ont été versés pour 14,206,654 livres de cerises à 1,324 producteurs, au 31 mars 1978.

#### PRUNEUX 1976

Les pruneaux ont aussi été désignés au soutien (à un niveau de 90%). En vertu du décret C.P. 1977-1300 du 12 mai 1977, le prix de soutien a été établi à 8.2¢ la livre. Etant donné une moyenne des revenus au marché de 3.9¢ la livre, un paiement d'appoint de 4.3¢ la livre a été autorisé pour un maximum de 50,000 livres par producteurs. Au terme de l'année fiscale, des paiements de \$326,454.27 pour 7,591,933 livres de pruneaux avaient été versés à 749 producteurs.

Le prix de soutien (à 95% de la moyenne des cinq dernières années indexé en fonction des changements en coûts comptants) de \$45.52 les cent livres a été calculé d'après les ventes de naisseurs pour abattage de septembre à décembre 1977. La moyenne réelle des revenus au marché était de \$42.26 les cent livres, donnant un paiement d'appoint de \$3.26 les cent livres. Etant donné une pesantueur moyenne de 450 livres, l'abattage de 85% des troupeaux et la rétention de 15% des troupeaux pour fins de remplacement, un paiement de \$10.27 pour chaque vache de boucherie enregistrée a été versé, jusqu'à un maximum de 95 vaches de boucherie. Pour les producteurs dont les animaux étaient déjà enregistrés aux programmes provinciaux, le taux était de \$5.14 la vache, ce montant étant compris comme partie intégrante du revenu au marché avant de calculer les versements provinciaux.

Des paiements de \$23,815,903.81 ont été versés pour 2,579,000 vaches de boucherie à 72,360 producteurs, au courant de l'année fiscale 1977-78.

PRUNEAUX 1975

Aucun paiement a été versé sous ce programme mais une somme de \$159.01 a été récupérée des dépenses de l'année dernière.

POIRES 1975

Bien qu'aucun paiement a été versé sous ce programme un montant de \$12.90 a été récupéré des dépenses de l'année dernière.

POMMES 1975

Des paiements de \$136,305.19 ont été versés sous ce programme de l'année précédente qui a été autorisé par le décret C.P. 1977-1701 du 23 juin 1977. Ceci a porté le total des coûts de ce programme à \$12,845,955.93, fournissant de l'aide à quelques 3,037 producteurs.

POMMES DE TERRE (variété hâtive) 1976

Le programme pour pommes de terre de variété hâtive, autorisé par le décret C.P. 1977-14 du 27 janvier 1977, a été étendu par le décret C.P. 1977-1960 du 14 juillet 1977, afin d'y inclure les ventes de pommes de terre pour transformation en plus des ventes pour fins domestiques. Pour l'année fiscale terminée, des réclamations de \$1,072,983.40 ont été payées à 494 producteurs, portant les paiements à \$2,950,000 pour 1,203 producteurs.

RECULTES DE SERRES 1976

CONCOMBRES: Un prix prescrit de \$2.61 la douzaine a été autorisé en vertu du décret C.P. 1977-1702 du 23 juin 1977. Etant donné une moyenne pondérée des prix de vente de \$2.47 la

annoncé, donnant un paiement d'appoint à être versé aux producteurs éligibles de \$0.06 le boisseau. L'année de récolte utilisée pour le blé d'Inde débute le 1 septembre 1976 et se termine le 31 août 1977. Les producteurs étaient admissibles aux paiements à un maximum de 39,000 boisseaux. Un engagement à utiliser les mêmes critères admissibles pour un programme en 1977 en conjonction avec la province de l'Ontario a été fourni. Le total des dépenses pour l'année fiscale 1977-78 était \$2,157,396.60 pour 35,956,610 boisseaux de blé d'Inde récoltés par 6,266 producteurs.

#### SOJA 1976

Un prix prescrit de \$5.10 le boisseau a été établi pour le soja de base # 2 Ontario livré au courant de la même période que celle mentionnée pour le blé d'Inde. La moyenne du prix de vente était de \$7.04 le boisseau. Puisqu'elle était plus élevée que le prix prescrit, aucun paiement a été versé.

AVOINE ET ORGE (produits à l'extérieure de la région désignée dans la Loi sur la Commission canadienne du blé)

AVOINE: Un prix prescrit de \$1.39 le boisseau a été fixé pour l'avoine livrée et vendue entre le 1 août 1976 et le 31 juillet 1977. La moyenne du prix de vente a été calculée à \$1.51 le boisseau et aucun paiement d'appoint a été autorisé.

ORGE: Un prix prescrit de \$1.85 le boisseau a été autorisé pour l'orge vendu au courant de la même période que celle mentionnée pour l'avoine. Le prix de vente était \$1.99 le boisseau, donc, aucun paiement a été versé.

#### PROGRAMMES DES ANNEES PRECEDENTES

##### VACHES DE BOUCHERIE 1974

Des paiements de \$1,660.24 pour 33,758 livres à 12 producteurs ont été versés sous ce programme des années précédentes en vertu du décret C.P. 1975-1005. Ceci a porté le total des coûts de ce programme à \$6,274,546.04 pour 123,505,012 livres, à 35,827 producteurs jusqu'au 31 mars 1978.

##### NAISSEURS POUR ABATTAGE 1977

Le gouvernement a annoncé les détails des paiements sous un programme de soutien pour les éleveurs de naisseurs pour abattage le 24 février 1978, en vertu du décret C.P. 1978-576. Pour ce programme, les veaux pour abattage ont été désignés au soutien sous la Loi sur la stabilisation des prix agricoles, mais les paiements ont été calculés selon le nombre de vaches pour abattage à la ferme au 1 avril 1977.



Un contrat de vérification avec Coopers and Lybrand a été entrepris par l'entremise du ministère des services et approvisionnements afin d'assurer que l'application de ce programme soit juste et consistante. La vérification qui a été effectuée comprenait la vérification des documents originaux des producteurs. Le rapport des vérifications a indiqué à l'Office que l'intégration du programme était conforme aux intentions de l'Office.

#### L'ANNEE EN COURS:

BOVINS D'ABATTAGE 1977 (bouvillons et génisses de catégories A, B et C vendus à l'abattage)

Pour l'année de production 1977 (année civile) le prix prescrit pour les bovins d'abattage de 1977, calculé au minimum sous la Loi à 90% de la moyenne du prix de vente des cinq dernières années, indexé en fonction des changements aux coûts comptants de production, était \$36.54 les cent livres. Puisque la moyenne pondérée des prix de vente pour l'année était \$40.19 les cent livres, aucun paiement d'appoint a été indiqué et aucun programme de paiements a été annoncé, au 31 mars 1978.

#### PORCS

Le prix prescrit pour les porcs vendus durant l'année du 1 avril 1977 jusqu'au 1 mars 1978 a été fixé à \$52.81 les cent livres selon la Loi. Puisque la moyenne pondérée du prix de vente était \$63.60 les cent livres, aucun paiement d'appoint a été autorisé.

#### AGNEAUX

En vertu de la Loi, le prix prescrit pour les "agneaux de bonne catégorie" vendus entre le 1 janvier 1977 et le 31 décembre 1977 a été fixé à \$45.65 les cent livres. La moyenne pondérée des prix de vente a été enregistrée à \$57.19 les cent livres et aucun versement a dû être effectué.

#### LAIT ET CREME DE TRANSFORMATION 1977-78

Pour l'année laitière se terminant le 31 mars 1978, des paiements de \$35,400,000 ont été autorisés en vertu du décret C.P. 1976-1283 du 1 juin 1976. Toujours pour l'année laitière se terminant le 31 mars 1978, des paiements de \$258,180,000 ont été autorisés en vertu du décret C.P. 1977-1581 du 9 juin 1977, portant le total des paiements versés à la Commission Canadienne du Lait pour le bénéfice des producteurs et dans le but de stabiliser le prix du lait et de la crème industriel à \$293,580,000.

BLF D'INDE 1976

Par autorité statutaire, un prix prescrit de \$2.18 le boisseau a été

Président: W.D. Lea, Edmonton, Alberta

Membres:

Peter Epp,	Leamington, Ontario
Robert Reynolds	Delta, B.C.
Denise Van Breda	Blenheim, Ontario
Howard Fuller	Wolfville, N.S.
Lorne Hehn	Markinch, Sask.
George Vercaigne	Brandon, Manitoba
James Mayne	Kensington, P.E.I.

A la fin de l'année, des places vacantes existaient pour des membres du comité provenant du Québec et du Nouveau Brunswick.

PROGRAMMES 1977-78:

PRODUITS DENOMMES

Pour les programmes de soutien antérieurs:

BOVINS D'ABATTAGE 1974

Des paiements additionnels sous ce programme, en vertu du décret C.P. 1974-2109, se sont élevés à \$8,871.17 et ont été versés en raison de 1,891 têtes de bovins pesant 18,637 cent livres et vendues à l'abatage par quelques 42 producteurs. Ces versements ont porté le total des montants fournis sous ce programme à \$9,064,864.85 pour 1,881,876 têtes de bovins pesant 18.9 million cent livres et élevées par quelques 28,450 producteurs.

PRIMES A LA QUALITE DU BOEUF 1974

Bien qu'aucun versement a été effectué sous ce programme, une récupération au montant de \$38.00 des dépenses de l'année précédente a été faite. Une poursuite juridique entreprise par la Couronne, dans le but de récupérer un montant additionnel, a été initiée et sera probablement réussie.

BOVINS D'ABATTAGE 1976 (bouillons et génisses de catégories A, B et C vendus à l'abatage)

Les versements effectués pour ce programme sous le décret C.P. 1977-112 du 25 janvier 1977 ont atteint \$37,682,079.75 pour 14,226,809 cent livres, à 24,184 producteurs au courant de l'année 1977-78. Ces versements ont porté le total des dépenses de ce programme à \$46,126,343.43, pour 17,385,113 cent livres, à 26,937 producteurs, au terme de l'année fiscale 1977-78.

## LES MEMBRES DE L'OFFICE

Suite au départ de M. W.E. Jarvis, sous-ministre adjoint, Agriculture Canada, après plus de dix ans au service de l'Office, le docteur G.I. Trant, sous-ministre adjoint principal - Politiques et planification, a été nommé au titre de président de l'Office par le gouverneur au conseil le 20 octobre, 1977.

Le docteur E.J. LeRoux, sous-ministre adjoint - Recherches, auparavant le troisième membre de l'Office, est devenu le vice-président et M. M.J. Heney, sous-ministre adjoint - Production et Commercialisation des aliments, a été nommé au titre de membre de l'Office.

L'Office tient à remercier l'ancien président, M. W.E. Jarvis, de ses services fidèles.

## FAITS SAILLANTS DES ACTIVITES

L'année fiscale 1977-78 a été la plus occupée depuis que les modifications à la Loi sur la stabilisation des prix agricoles ont été adoptées en 1975.

Des paiements d'appoint atteignant les \$70,530,976 ont été versés pour plus de 108,500 réclamations de producteurs sous 16 programmes différents. Ceci exclu les paiements versés sous le programme laitier.

Un programme pour le maïs en grain, un produit dénommé sous la Loi, a été offert pour la première fois. Neuf autres produits ont aussi été désignés.

Les discussions avec les provinces se sont poursuivies afin d'apporter de l'harmonie aux programmes de stabilisation fédérale et provinciales. Plusieurs rencontres ont eu lieu, y résultant aux ententes générales sur les propositions revisées tant qu'aux responsabilités de base pour les produits et à la participation des provinces et des producteurs aux programmes de soutien ou aux plans d'assurance revenu.

L'Office a reçu des rapports provenant de l'Office de l'Auditeur Général du Canada qui ont résultats de deux études - l'étude continue sur le contrôle en gestion financière dans les opérations gouvernementales et les études sur les procédures établies pour assurer l'efficacité des dépenses encourues. Suite à l'étude antérieure, l'Office a apporté de nombreux changements à l'administration, et étudie présentement les conclusions présentées à la dernière.

## COMITE CONSULTATIF

Les membres du comité consultatif, désignés par le ministre en vertu de la section 5 de la Loi, se sont rencontrés trois fois durant l'année. Le conseil était formé des suivants:





OFFICE DE STABILISATION DES PRIX AGRICOLES

RAPPORT ANNUEL 1977-1978

PRESENTE

AU MINISTRE DE L'AGRICULTURE

L'HONORABLE EUGENE F. WHELAN, C.P., M.P.

Membres de l'Office:

G.I. Trant, président  
E.J. LeRoux, vice-président  
M.J. Heney, membre

Gestionnaire - secrétaire:

A.E. Proulx



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# RAPPORT ANNUEL de l'Office de stabilisation des prix agricoles

1977  
1978

1978

1979

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# ANNUAL REPORT

of the  
Agricultural  
Stabilization  
Board

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THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT

TO

THE MINISTER OF AGRICULTURE

THE HONOURABLE JOHN WISE, P.C., M.P.

FOR THE YEAR

1978-79

Board Members:

G. I. Trant, Chairman  
E. J. LeRoux, Vice-Chairman  
M. J. Heney, Member

Secretary-Manager:

A. E. Proulx





## YEAR IN REVIEW

### THE BOARD MEMBERS

The Members of the Board for 1977-78, as of March 31, 1978, continued to serve in their respective capacities for the 1978-79 fiscal year, as follows:

Chairman - Dr. G. I. Trant, Senior Assistant Deputy  
Minister, Policy, Planning and Economics Branch

Vice-Chairman - Dr. L. J. LeRoux, Assistant Deputy  
Minister, Research Branch

Member - Mr. M. J. Heney, Assistant Deputy Minister,  
Food Production and Marketing Branch.

### ACTIVITY HIGHLIGHTS

Total payments made in 1978-79 were \$47,068,771., excluding dairy, to some 28,117 producers for an average of \$1,674.03 as compared to \$70,530,976 to 108,500 producers in the previous fiscal year. This decrease was primarily a result of a significant upswing in market prices for the beef sector precluding the necessity for continued stabilization assistance. An additional \$271,523,764. was provided to the Canadian Dairy Commission for programs for support of industrial milk and cream during the year.

Further progress was made in discussions with provinces and producer groups with respect to harmonization of federal and provincial stabilization programs. Proposals for new legislation incorporating a new formula based on a guarantee of a margin over cash costs of production instead of the percentage of the average of market prices was presented. These proposals also included expansion of the list of named commodities and provision for producer contributions towards program costs. However, significant disagreement with such moves were voiced in certain provinces and commodity sectors to indicate the need for further consultations with producer groups. Such consultations are continuing.

### ADVISORY COMMITTEE

The membership of the Advisory Committee appointed by the Minister of Agriculture pursuant to Section 5 of the Act, was enhanced by the addition of members from Quebec and New Brunswick.

The committee, accordingly, was constituted as follows:

Chairman: W.D. Lea, Edmonton, Alberta

Members : P. Couture, Montreal, Quebec  
P. Epp, Leamington, Ontario  
H. Fuller, Wolfville, Nova Scotia  
L. Hehn, Markinch, Saskatchewan  
J. Mayne, Kensington, Prince Edward Island  
A. Pray, New Denmark, New Brunswick  
R. Reynolds, Delta, British Columbia  
D. Van Breda, Blenheim, Ontario  
G. Vercaigne, Brandon, Manitoba

The committee met twice during the year to discuss items of current interest and to provide advice to the Minister and the Board.

PROGRAMS 1978-79:

NAMED COMMODITIES

From previous support programs:

1974 Slaughter Cattle

Residual payments outstanding under this program, authorized under Order-in-Council P.C. 1974-2109, amounted to \$19,926.72 and were made on 3,918 head of cattle weighing 41,654 cwt. and sold for slaughter by 3 producers. These payments brought the total amounts provided under this program to \$9,084,711.89 for 1,885,782 head of cattle weighing 18.9 million cwt. by some 28,452 producers.

1974 Beef Quality Premiums

No payments were made under this program. Legal Action by the Crown has been initiated to recover amounts which upon audit were shown as owing to the Government of Canada.

1976 Slaughter Cattle (A, B, and C grade steers  
and heifers sold for slaughter)

Payments made for this program under Order-in-Council P.C. 1977-112 dated January 25, 1977 were \$336,276.36 on 126,629 cwt. to 108 producers for the year 1978-79. These payments brought total program expenditures to

\$46,462,619.79 on 17,509,416 cwt. to 27,045 producers.  
\$15,042.64 was recovered as previous year's expenditures, as of the end of the 1978-79 fiscal year.

Current Year:

1978 Slaughter Cattle (A, B, and C grade steers and  
heifers sold for slaughter)

For the production year January 1, 1978 through December 31, 1978 the prescribed price for slaughter cattle was set in accordance with the minimum provisions of the Act at \$42.91 per cwt. Since the average market price was calculated at \$59.39 per cwt., no payment program was authorized.

1978 Hogs

The prescribed price for hogs for the period of April 1, 1978 through March 31, 1979 was set at \$53.74 per cwt. No deficiency payments were made, however, since the average market price calculated at \$70.55 per cwt. was in excess of the prescribed price.

1978 Sheep

As for slaughter cattle, the commodity year utilized for sheep support is the calendar year. For 1978, a prescribed price of \$46.01 per cwt was set according to the Act, for grade A and B slaughter lambs over 80 pounds. No payments were made since the average market price for this period was calculated to be \$75.53 per cwt.

1978 Industrial Milk and Cream

For the dairy year ending March 31, 1978 under Order-in-Council P.C. 1978-1911 dated June 30, 1978, a prescribed price for industrial milk was set at \$12.42 per cwt. being 166% of the average market price for the previous five years, indexed to reflect changes in cash costs of production. Pursuant to that authority, payments of \$245,674,764.10 were made to the Canadian Dairy Commission for the purpose of providing price support for industrial milk and cream producers. A further amount of \$24,849,000. was transferred under the previous year's program bringing total payments to the CDC to \$271,523,764.10 for the fiscal year.

### 1977 Corn

A support price for grain corn as a named commodity was set pursuant to the Act at \$88.97 per tonne for the market period of September 1, 1977 through August 31, 1978. Average market returns were calculated at \$83.46 per tonne and a deficiency payment of \$5.51 per tonne announced. Producers were eligible for payment on up to a maximum of 1,000 tonnes by net farm sales (net of purchased feed equivalents). A 10 tonne minimum was also set to ensure payment to bonafide producers only. Under this program, payments of \$5,262,873.37 on 955,153 tonnes of grain corn were made to 4,742 producers as of March 31, 1979.

### 1977 Soybeans

A prescribed price for soybeans, basis #2 Ontario, delivered during the period of September 1, 1977 through August 31, 1978 was set at \$180.78 per tonne. The average market price recorded for the same period was \$240.31 per tonne and accordingly, no payments were made.

### 1977 Oats and Barley (produced outside the designated area as defined in the Canadian Wheat Board Act)

Oats: In accordance with the provisions of the Act, a prescribed price of \$94.02 per tonne was set for 1977 oats sold during the period of August 1, 1977 through July 31, 1978. Since the market price was also calculated to be \$94.02 per tonne no payments were authorized.

Barley: The prescribed price for barley sold between August 1, 1977 and July 31, 1978 was set at \$88.19 per tonne. A deficiency payment of \$7.35 per tonne was authorized based on the recorded market price of \$80.84 per tonne. Maximum eligibility under the program was set at 160 tonnes of net farm sales per producer with a 10 tonne deductible. As of March 31, 1979 no payments had yet been made.

## DESIGNATED COMMODITIES

### Previous Years' Programs

#### 1974 D-Cows

Payment of \$336.45 for 6,623 lbs. to 2 producers were made under the previous years' program authorized by Order-in-Council P.C. 1975-1005. This brought the total program cost to \$6,274,882.49 for 123,511,635 lbs. to 35,829 producers as at March 31, 1979. Recovery of \$157.58 of previous year's overpayments was made.

#### 1977 Beef Cow-Calf

Further payments of \$736,739.66 were made on 71,847 beef cows to 1,720 producers during the fiscal year 1978-79 under the 1977 Beef Cow Program authorized by Order-in-Council P.C. 1978-576. These payments brought total program expenditures to \$24,552,643.47 on 2,650,847 beef cows to 74,080 producers. Recoveries of \$5,834.55 were made and credited to previous year's expenditures.

#### 1976 B.C. Late Potatoes

Payments made in 1978-79 under Order-in-Council P.C. 1978-8 dated January 12, 1978 amounted to \$200,176.55 on 294,377 cwt. to 42 producers. This brought total assistance on 1976 potatoes to \$3,604,991.95 on 3,164,852 cwt. to 1,361 producers. Recoveries of \$1,038.42, as a result of post audit of claims, was made.

#### 1977 B.C. Apricots

A deficiency payment, for British Columbia growers, of 1.5¢ per pound on eligible sales of 1977 apricots was approved by Order-in-Council P.C. 1978-481 dated February 23, 1978. Payments in 1978-79 fiscal year amounted to \$69,703.65 on 4,646,860 lbs. to 381 producers.

#### 1977 Sweet Cherries

Payment of \$432,118.65 were made under Order-in-Council P.C. 1978-408 dated February 16, 1978 on 15,432,814 lbs. of sweet cherries to 1,348 producers bringing the total expenditure to \$439,216.45 on 15,686,307 lbs. to 1,369 producers as of March 31, 1979.



### 1976 Sugar Beets

Final payments totalling \$16,730.79 on 17,453 standard tons to 32 producers were made under Order-in-Council P.C. 1977-1297 dated May 12, 1977. These payments brought the total program cost to \$1,260,723.25 for 1,284,242 tons of beets to 1,607 producers as at March 31, 1979. Recovery of \$3,286.33 of previous year's expenditures was made.

### 1975 Apple

No payments were actually made under this program, but \$2,650. was recovered from corrections to previous claims.

### 1976 Prune-Plums

One additional payment for \$408.50 under the 1976 Prune-Plum Program was made on 9,500 lbs. for a total program cost of \$326,862.77 on 7,601,433 lbs. to 750 producers.

### 1976 Summer Pears

Payment made for this program under Order-in-Council P.C. 1977-1301 dated May 12, 1977 was \$728.64 on 22,080 lbs. to 1 producer. This payment brought total program cost to \$931,171.90 on 28,217,300 lbs. to 1,160 producers.

### 1976 Apricots

Under Order-in-Council P.C. 1977-1298 dated May 12, 1977, one payment was made for \$900. on 34,615 lbs. to 1 producer. Total program expenditures as of March 31, 1979 were \$129,821.30 on 4,993,126 lbs. to 381 producers.

### 1976 Winter Pears

One new payment for \$4,200. was made under authority of Order-in-Council P.C. 1977-1301 dated May 12, 1977 for 100,000 lbs. Total program cost, as of March 31, 1979, was \$534,409.30 on 12,724,031 lbs. to 588 producers.

## DESIGNATED COMMODITIES

### Current Year:

#### 1977 Eastern Potatoes

##### Interim Program:

Potato producers in Eastern Canada were provided assistance under the Agricultural Stabilization Act by the designation of potatoes for price support. The Interim Program authorized by Order-in-Council P.C. 1978-1545 dated May 15, 1978 provided a payment of 60¢ per cwt. to producers on 75% of estimated sales or on the basis of seeded acreage up to a maximum of 7,500 cwts. or \$4,500. Interim payments of \$4,372,886.20 were made to 1,930 producers in New Brunswick and Prince Edward Island. Producers were required to reconcile advance payments received with Final claims based on actual sales. As of March 31, 1979, 270 producers to whom \$536,381.40 had been advanced, had not yet reconciled their final applications.

##### Final Program:

Order-in-Council P.C. 1978-3223 dated October 19, 1978 provided a deficiency payment of \$1.47 cwt. on eligible sales of table potatoes and \$1.06 cwt. on eligible sales of processing stocks or seed potato sales, up to a maximum of 7,500 cwts. A prescribed price of \$4.15 cwt. was calculated for table sales, with the deficiency payment of \$1.47 cwt. being the result of average market returns of \$2.68 cwt. Final payments to 3,242 producers had been made amounting to \$18,932,937.68 on 14,117,126 cwts. of eligible production as of year end.

#### 1977 Eastern Wheat

On January 25, 1979, the Minister of Agriculture announced the designation of the 1977 Eastern Wheat Crop for support under the Act. Under Order-in-Council P.C. 1979-137 a prescribed price of \$3.14 per bushel was set being 90% of the five year average of \$3.42 per bushel, with estimated cash cost of production change of \$0.06 per bushel. The deficiency payment of \$0.87 per bushel or \$31.96 per tonne was paid to 10,690 producers on



526,862 tonnes of eligible production, (a maximum of 650 tonnes per producer, and a minimum eligibility of 5 tonnes) amounting to \$16,843,735.71 as of March 31, 1979. The average payment amounted to \$1,575.65.

#### 1977 White Pea Beans

The Ontario white bean crop was designated for support under Order-in-Council P.C. 1978-3046 dated October 4, 1978. A prescribed price of \$379.85 per tonne was set being 90% of the five year average producer returns indexed for cash cost of production changes. With the average market return for 1977 calculated at \$320.77 per tonne, a deficiency payment of \$59.08 per tonne was authorized. Payments were made amounting to \$1,843,099.64 on 687,724 cwts. of beans to 1,860 producers. Producers were eligible for assistance on up to 160 tonnes of beans sold grading Canada Eastern grades 1 to 4.

#### 1977 Quebec Apples

Due to poor returns for producers of McIntosh apples in 1977 in the Province of Quebec, a program of assistance was authorized by Order-in-Council P.C. 1979-286 dated February 8, 1979 designating the crop for support. With the prescribed price set at 5.85¢ per pound, being 90% of the five year average market returns indexed for cash costs of production, and the calculated average market price for 1977 McIntosh sales only 3.9¢ per pound, a deficiency payment of 1.95¢ per pound was provided. Producers were eligible on a maximum of 750,000 pounds of McIntosh sales (fresh, processing or juice) with the first 15,000 pounds of sales deductible. As of March 31, 1979, \$257,967.66 had been paid to 44 producers on sales of 13,229,111 lbs.

#### 1977 Yellow Seeded Onions

A deficiency payment of 2.7¢ per pound of eligible sales of yellow seeded onions to producers in Quebec, Ontario and Manitoba was confirmed by Order-in-Council P. C. 1979-816 dated March 22, 1979. This resulted from a prescribed price of 5.7¢ per pound and a calculated average market return for the 1977 crop of 3.0¢ per pound. Eligibility per producer was set at 2 million pounds with the first thirty per cent deductible. As of March 31, 1979, no payments had yet been made to growers.

AGRICULTURAL STABILIZATION BOARD

ADMINISTRATION EXPENSES:	<u>1978-79</u>	<u>1977-78</u>
Salaries - full-time personnel	\$ 805,292	\$ 704,164
- casual personnel	67,399	134,219
Overtime	3,618	2,848
Allowances and Supplementary Costs	25,792	11,799
Travel	13,798	14,335
Postage and Freight	524	857
Telephone and Telegraph	32,813	25,801
Advertising	-	6,629
Professional and Special Services	24,280	80,566
Rentals	5,958	7,356
Repairs and Upkeep of Equipment	1,440	16
Materials and Supplies	44,937	32,524
Equipment and Furnishings	17,509	7,277
Total	<u>\$1,043,360</u>	<u>\$1,028,391</u>

The Board used 61 manyears of full-time employment and 7 manyears of casuals. During 1978-79, the staff of the Board continued to provide subsidy processing services for the payment of consumer subsidies on skim milk powder. Payments of \$562,534.29 on 1,652,572 lbs. of powder were made during the fiscal year 1978-79.

Under the Pregnant Mare's Urine Program, 13 producers were paid \$13,295. for 13,295 gallons.

Subsidy processing services, as in past years, were provided as "services without charge" to the Canadian Dairy Commission.

Services to the Board in the administration of subsidy programs were provided by commodity specialists from the Food Production and Marketing Branch, Agriculture Canada, and have been included under support services provided without charge. In addition, advisors from the Policy, Planning and Economics Branch assisted in the collection of base data and the preparation of recommendations to the Board for support programs. Since this assistance is not directly related to the administration of programs under the Act,

no attempt has been made to relate the costs of providing these services.

Administration expenses of the Agricultural Products Board are included in the total costs shown above but are excluded in the financial statements.

Audited financial statements for the 1978-79 fiscal year are attached.



AUDITOR GENERAL OF CANADA

VÉRIFICATEUR GÉNÉRAL DU CANADA

The Chairman and Members  
Agricultural Stabilization Board  
Ottawa, Ontario

I have examined the statement of expenditure of the  
Agricultural Stabilization Board for the year ended March 31, 1979.  
My examination was made in accordance with generally accepted auditing  
standards, and accordingly included such tests and other procedures as  
I considered necessary in the circumstances.

In my opinion, the statement of expenditure represents fairly  
the results of the Board for the year ended March 31, 1979, in  
accordance with the accounting policies set out in Note 2, applied on a  
basis consistent with that of the preceding year.

A handwritten signature in dark ink, appearing to read "John L. ...".

Senior Deputy Auditor General of Canada  
for: Auditor General of Canada

Ottawa, Ontario  
June 8, 1979  
(June 27, 1979 as  
to note 4)

AGRICULTURAL STABILIZATION BOARD  
(Established by the Agricultural Stabilization Act)

Statement of Expenditure  
for the year ended March 31, 1979


	<u>1979</u>	<u>1978</u>
Payments to the Canadian Dairy Commission for stabilization of the price of milk for the benefit of producers	\$ 271,523,764	\$ 293,580,000
Deficiency payments:		
Apples	257,967	136,305
Apricots	70,603	128,921
Cattle	371,312	37,690,951
Corn	6,810,976	2,157,397
Cow	494	1,660
Cow-Calf	742,576	23,815,904
Greenhouse	-	712,622
Pears	4,929	1,460,652
Potatoes	19,670,533	1,527,799
Prune-Plums	409	326,454
Sugar Beets	20,017	1,243,992
Sweet Cherries	432,119	1,328,319
Wheat	16,843,736	-
White Beans	1,843,100	-
	<u>\$ 47,068,771</u>	<u>\$ 70,530,976</u>
Administrative expense:		
Salaries	884,059	835,969
Other	138,433	171,854
	<u>1,022,492</u>	<u>1,007,823</u>
Provided by government departments without charge:		
Part-time management and support services (Department of Agriculture)	73,324	235,729
Employee benefits	119,099	120,810
Accommodation	97,106	91,476
Accounting services	14,948	20,495
	<u>304,477</u>	<u>468,510</u>
	319,919,504	365,587,309
Deduct: Refunds of expenditure	<u>29,567</u>	<u>210</u>
Expenditure for the year	<u>\$ 319,889,937</u>	<u>\$ 365,587,099</u>
Expenditure for the year provided by:		
Agriculture Vote 20	\$ 318,562,968	\$ 364,110,766
Agriculture Vote 15	1,022,492	1,007,823
Government departments without charge	<u>304,477</u>	<u>468,510</u>
	<u>\$ 319,889,937</u>	<u>\$ 365,587,099</u>

The accompanying notes are an integral part of the financial statement.

Certified correct:

Approved:

  
Secretary

  
Chairman

# AGRICULTURAL STABILIZATION BOARD

## Notes to Financial Statement March 31, 1979

### 1. Board objectives

The stated objectives of the Agricultural Stabilization Act are as follows:

- to stabilize the prices of agricultural commodities in order to assist the industry of agriculture to realize fair returns for its labour and investment.
- to maintain a fair relationship between prices received by farmers and the costs of goods and services that they buy.

### 2. Significant accounting policies

#### (a) Deficiency payments and administrative expense

Expenditure is recorded on a cash basis modified to include payments in April relating to work performed, goods received or services rendered prior to March 31, which basis is consistent with that used by departments of the Government of Canada.

#### (b) Services provided without charge

An estimated amount for services provided without charge by government departments is included in the statement.

#### (c) Fixed assets

Purchases of furniture and equipment are recorded as an administrative expense in the year of acquisition.

#### (d) Employee termination benefits

Termination benefits accrue to employees over their service period. Payments of these benefits are made to the employees on separation or retirement and are expensed by the Board when paid.

#### (e) Refunds of expenditure

Refunds of expenditure relate to deficiency payments and reduce the cost of the programs.

### 3. Contingent liability

The Board is currently defending an action by a producer under the 1976 Slaughter Cattle Program as a result of a dispute concerning producer eligibility in excess of the maximum payments allocated for this program. If such action is successful the Board could be liable for additional payment amounting to \$156,000. Payment, if any, will be expensed in the period that it is paid.

4. Subsequent event

On June 27, 1979, the Board was advised that the Federal Court had ruled in favour of a claimant who had brought suit for the amount of \$71,000 under the 1975 Apple Program. The Board has appealed the decision. Should the Board be unsuccessful in it's appeal, any payment will be expensed in the period that it is paid.





3. Passif éventuel

L'Office est présentement poursuivie en justice par un producteur sous le programme de boeuf d'abatage 1976, suite à une controverse quant à l'éligibilité du producteur à des versements maximums permis dans ce programme. Si cette poursuite réussit, l'Office pourrait être redevable d'un montant de \$156,000 en versements additionnels. S'il y a des versements ils seront inscrits sur réception.

4. Evénements subséquents

Le 27 juin 1979, on informa l'Office que la cour Suprême du Canada avait accordé à un producteur réclamant la somme de \$71,000 sous le programme de pomme 1975. L'Office en a appelé de la décision et si celle-ci échouait, le remboursement devrait être comptabilisé dès qu'il sera versé.

OFFICE DE STABILISATION DES PRIX AGRICOLES  
(Constitué en vertu de la loi sur la stabilisation des prix agricoles)

Etat des dépenses  
pour l'année terminée le 31 mars 1979

Montants versés à la Commission canadienne du lait afin  
d'établir le prix du lait en compensant les producteurs \$ 271,523,764 \$ 293,580,000

Versements d'appoint:

Frommes  
Abricots  
Bovins d'abattage  
Maïs  
Vaches  
Nalasseurs  
Serres  
Poires  
Patates  
Pommes  
Bettes à sucre  
Cérites sucrées  
Bil  
Fèves blanches

Dépenses d'administration:

Tratements  
Autres

Services fournis gratuitement par les ministères:

Services de gestion et de soutien à temps partiel  
(ministère de l'Agriculture)  
Prestations aux employés  
Locaux  
Services de comptabilité

Dédites: Remboursement des dépenses

Dépenses de l'année

Dépenses de l'année acquittées à même

Le crédit 20 - Agriculture  
Le crédit 15 - Agriculture  
Les services fournis gratuitement par les ministères

\$ 318,562,968  
1,022,492  
304,477  
\$ 319,889,937  
\$ 365,587,099  
\$ 304,110,700  
1,007,823  
468,513

\$ 319,889,937  
29,567  
319,919,504  
365,587,309  
468,513  
120,810  
91,476  
20,495

384,059  
138,433  
171,854  
335,969  
1,007,823

\$ 47,068,771  
1,843,100  
16,843,736  
432,119  
20,017  
409  
19,470,533  
4,929  
-  
712,622  
23,815,904  
1,660  
2,137,397  
37,690,931  
128,921  
136,305

Président

Secrétaire

Approuvé:

Certifié exact:

Les notes ci-jointes font partie intégrante de l'état financier.

Notes à l'état financier  
du 31 mars 1979

# 1. Objectifs de l'Office

Les objectifs énoncés dans la Loi sur la stabilisation des prix agricoles sont comme suit:

- "de stabiliser les prix des produits agricoles pour aider l'industrie de l'agriculture à obtenir un juste rendement de son travail et de son placement;
- de maintenir un rapport équitable entre les prix reçus par les cultivateurs et le coût des marchandises et des services qu'ils achètent."

## 2. Conventions comptables importantes

- (a) Versements d'appoint et frais d'administration
- Les dépenses sont enregistrées selon la méthode de comptabilité de travail exécuté, les marchandises reçues ou les services rendus avant le 31 mars; cette méthode est conforme à celle utilisée par les ministères du gouvernement canadien.
- (b) Services fournis gratuitement
- L'état financier comprend un montant estimatif à l'égard des services fournis gratuitement par d'autres ministères.
- (c) Immobilisations
- Les achats de mobilier et de matériel sont enregistrés comme dépenses d'administration dans l'année d'acquisition.
- (d) Indemnités de cessation d'emploi
- Les indemnités de cessation d'emploi sont accumulées par les employés tout au long de leur terme d'emploi. Ces indemnités sont versées aux employés au moment de leur retraite ou de leur cessation d'emploi et sont imputées aux dépenses de l'année pendant laquelle elles sont versées.
- (e) Remboursements des dépenses
- Les remboursements des dépenses sont reliés aux versements d'appoint et diminuent le coût des programmes.



Le président et les membres  
Office de stabilisation des prix agricoles  
Ottawa (Ontario)

J'ai vérifié l'état des dépenses de l'Office de stabilisation  
des prix agricoles pour l'année terminée le 31 mars 1979. Ma vérification  
a été effectuée conformément aux normes de vérification généralement  
reconnues, et a comporté par conséquent les sondages et autres procédés  
que j'ai jugés nécessaires dans les circonstances.

À mon avis, cet état des dépenses présente fidèlement les  
résultats de l'exploitation de l'Office pour l'année terminée le  
31 mars 1979, conformément aux conventions comptables énoncées dans la  
note 2, appliquées de la même manière qu'au cours de l'année précédente.

Le premier sous-vérificateur général du Canada  
pour: Le Vérificateur général du Canada

*K. MacLennan*

Ottawa (Ontario)  
le 8 juin 1979  
(note 4 ajoutée)  
le 27 juin 1979)

soutien fournis gratuitement. De plus, les conseillers de la Direction des politiques, la planification et l'économie ont aidé à la collection des données de base et à la préparation de recommandations à l'Office pour les programmes de soutien. Puisque cette aide n'est pas directement reliée à l'administration des programmes sous la Loi, aucun attentat a été fait pour rapporter les coûts de fournir ces services.

Les dépenses administratives de l'Office des produits agricoles sont comprises dans le total des frais, mais n'apparaissent pas dans l'état financier ci-joint.

Les états financiers vérifiés pour l'année fiscale 1978-79 sont concomitants.

# L'OFFICE DE STABILISATION DES PRIX AGRICOLES

1977-78	1978-79	DEPENSES ADMINISTRATIVES:
704,164 \$	805,292 \$	Salaires - employés à plein temps
134,219	67,399	- employés temporaires
2,848	3,618	Heures supplémentaires
11,799	25,792	Allocations
14,335	13,798	Voyages
857	524	Affranchissement et transport de marchandises
25,801	32,813	Téléphone et télégraphe
6,629	-	Publicité
80,566	24,280	Services professionnels et spéciaux
7,356	5,958	Location
16	1,440	Réparation et entretien de matériel
32,524	44,937	Fournitures et approvisionnements
7,277	17,509	Matériel de bureau et ameublement
\$1,028,391	\$1,043,360	Total

L'Office a utilisé 61 années-hommes d'employés à plein temps et 7 années-hommes d'employés temporaires. En 1978-79, le personnel de l'Office a continué de traiter les demandes et de vérifier les paiements en matière de subvention aux consommateurs pour le lait écrémé en poudre. Durant l'année fiscale 1978-79, les paiements se sont élevés à \$562,534.29 pour 1,652,572 livres de lait en poudre.

Sous le programme d'urine de juments gravides, 13 producteurs ont reçu \$13,295. pour 13,295 gallons.

Cette année encore, les services de traitement des subventions ont été fournis "sans frais" à la Commission canadienne du lait.

Les services fournis à l'Office pour l'administration des programmes de subventions par les spécialistes en produits agricoles de la Direction de la production et la commercialisation des aliments, ministère de l'Agriculture, sont inclus dans l'état financier sous l'entête de services de



#### Pommes du Québec 1977

A cause des pauvres recettes qu'ont reçues les producteurs de pommes McIntosh 1977 de la province du Québec, un programme d'aide a été autorisé par le décret C.P. 1979-286 du 8 février 1979 désignant la récolte pour un soutien. Suivant un prix prescrit établi à \$5.85 la livre, soit 90% de la moyenne des revenus au marché des cinq dernières années indexée pour les coûts comptants de production, et la moyenne calculée des prix au marché pour les ventes McIntosh de 1977 de seulement 3.9¢ la livre, un paiement d'appoint de 1.95¢ la livre a été fourni. Les producteurs étaient admissibles à un maximum de 750,000 livres de ventes McIntosh (au marché frais, de transformation ou pour le jus) et les premiers 15,000 livres de ventes étaient déductibles. Au 31 mars 1979, \$257,967.66 avait été payé à 44 producteurs pour des ventes de 13,229,111 livres.

#### Oignons jaunes de semis 1977

Un paiement d'appoint de 2.7¢ la livre de ventes admissibles d'oignons jaunes de semis aux producteurs du Québec, de l'Ontario et du Manitoba a été confirmé par le décret C.P. 1979-816 du 22 mars 1979. Ceci est le résultat d'un prix prescrit de 5.7¢ la livre et une moyenne calculée des revenus au marché pour la récolte de 1977 de 3.0¢ la livre. L'admissibilité par producteur a été établie à 2 million de livres avec le premier trente pour cent déductible. Au 31 mars 1979, aucun paiement avait encore été versé aux cultivateurs.

Programme final:

Le décret C.P. 1978-3223 du 19 octobre 1978 a fourni un paiement d'appoint de \$1.47 les cent livres pour les ventes admissibles de pommes de terre de table et un de \$1.06 les cent livres pour les ventes admissibles pour la transformation ou pour les ventes de pommes de terre de semence, jusqu'à un maximum de 7,500 cent livres. Un prix prescrit de \$4.15 les cent livres a été calculé pour les ventes de table, avec un paiement d'appoint de \$1.47 les cent livres résultant d'une moyenne des recettes au marché de \$2.68 les cent livres. Des paiements linéaires à \$3.242 producteurs ont été versés, totalisant \$18,932,937.68 pour 14,117,126 cent livres de production admissible au terme de l'année.

#### Ble de 1977

Le 25 janvier 1979, le ministre de l'Agriculture a annoncé la désignation de la récolte du blé de 1977 pour un soutien sous la Loi. En vertu du décret C.P. 1979-137 un prix prescrit de \$3.14 le boisseau a été établi représentant 90% de la moyenne des cinq dernières années de \$3.42 le boisseau, avec un changement aux coûts comptants de production estimé à \$0.06 le boisseau. Le paiement d'appoint de \$0.87 le boisseau ou \$31.96 la tonne a été payé à 10,690 producteurs pour 526,862 tonnes de production admissible, (un maximum de 650 tonnes par producteur et une admissibilité minimum de 5 tonnes) totalisant \$16,843,735.71 au 31 mars 1979. La moyenne des paiements était \$1,575.65.

#### Haricots blancs 1977

La récolte de haricots blancs de l'Ontario a été désignée au soutien en vertu du décret C.P. 1978-3046 du 4 octobre 1978. Un prix prescrit de \$379.85 la tonne a été établi, représentant 90% de la moyenne des revenus des producteurs au cours des cinq dernières années indexée en fonction des changements aux coûts comptants de production. Avec une moyenne des recettes au marché pour 1977 calculée à \$320.77 la tonne, un paiement d'appoint de \$59.08 la tonne a été autorisé. Les paiements ont été versés au total de \$1,843,099.64 pour 687,724 cent livres d'haricots à 1,860 producteurs. Les producteurs étaient admissibles à l'aide jusqu'à 160 tonnes d'haricots vendues de catégorie est canadien numéros 1 à 4.

Poires 1976 (variété hâtive)

Le paiement versé sous ce programme en vertu du décret C.P. 1977-1301 du 12 mai 1977 a été au montant de \$728.64 pour 22,080 livres à un producteur. Ce paiement a porté le coût total du programme à \$931,171.90 pour 28,217,300 livres à 1,160 producteurs.

Abricots 1976

En vertu du décret C.P. 1977-1298 du 12 mai 1977, un paiement de \$900. a été versé pour 34,615 livres à un producteur. Le total des dépenses du programme au 31 mars 1979 était \$129,821.30 pour 4,993,126 livres à 381 producteurs.

Poires 1976 (variété tardive)

Un nouveau paiement de \$4,200. a été versé en vertu du décret C.P. 1977-1301 du 12 mai 1977 pour 100,000 livres. Le coût total du programme au 31 mars 1979 était \$534,409.30 pour 12,724,031 livres à 588 producteurs.

PRODUITS DESIGNES

L'année en cours:

Pommes de terre de l'est 1977

Programme provisoire:

Les producteurs de pommes de terre de l'est canadien ont reçu de l'aide sous la loi sur la stabilisation des prix agricoles par la désignation des pommes de terre pour un soutien des prix. Le programme provisoire, autorisé par le décret C.P. 1978-1545 du 15 mai 1978, a fourni aux producteurs un paiement de 60¢ les cent livres sur 75% des ventes estimées ou selon la superficie enssemencée, jusqu'au maximum de 7,500 cent livres ou \$4,500. Des paiements provisoires de \$4,372,886.20 ont été versés à 1,930 producteurs du Nouveau-Brunswick et de l'Île-du-Prince-Édouard. Les producteurs devaient réconcilier les paiements reçus à l'avance avec leurs réclamations finales, selon leurs ventes réelles. Au 31 mars 1979, 270 producteurs, à qui \$536,381.40 avait été avancé, n'avaient pas encore réconcilié leurs demandes finales.

\$200,176.55 pour 294,377 cent livres à 42 producteurs. Ceci a porté le total de l'aide pour les pommes de terre de 1976 à \$3,604,991.95 pour 3,164,852 cent livres à 1,361 producteurs. Des remboursements de \$1,038.42 ont été effectués à la suite d'une vérification des réclamations.

#### Abricots de la C.B. 1977

Un paiement d'appoint, pour les cultivateurs de la Colombie Britannique, de 1.5¢ la livre pour les ventes d'abricots 1977 admissibles a été approuvé par le décret C.P. 1978-481 du 23 février 1978. Les paiements durant l'année fiscale 1978-79 se sont élevés à \$69,703.65 pour 4,646,860 livres à 381 producteurs.

#### Cerises sucrées 1977

Des paiements de \$432,118.65 ont été versés en vertu du décret C.P. 1978-408 du 16 février 1978 pour 15,432,814 livres de cerises sucrées à 1,348 producteurs, portant le total des dépenses à \$439,216.45 pour 15,686,307 livres à 1,369 producteurs, au 31 mars 1979.

#### Betteraves à sucre 1976

Des paiements finaux au total de \$16,730.79 pour 17,453 tonnes standards à 32 producteurs on été versés en vertu du décret C.P. 1977-1297 du 12 mai 1977. Ces paiements ont porté le coût total du programme à \$1,260,723.25 pour 1,284,242 tonnes de betteraves à 1,607 producteurs au 31 mars 1979. Des remboursements des dépenses de l'année précédente ont été effectués au montant de \$3,286.33.

#### Pommes 1975

Aucun paiement a effectivement été versé sous ce programme mais \$2,650. a été récupéré suite aux corrections apportées à des réclamations précédentes.

#### Pruneaux 1976

Un paiement additionnel de \$408.50 sous le programme des pruneaux 1976 a été versé pour 9,500 livres, portant le coût total du programme à \$326,862.77 pour 7,601,433 livres à 750 producteurs.

Avoine: Selon les articles de la Loi, un prix prescrit de \$94.02 la tonne a été établi pour l'avoine 1977 vendue au courant de la période du 1 août 1977 au 31 juillet 1978. Puisque le prix de vente a aussi été calculé à \$94.02 la tonne, aucun paiement a été autorisé.

Orge: Le prix prescrit pour l'orge vendu entre le 1 août 1977 et le 31 juillet 1978 a été établi à \$88.19 la tonne. Un paiement d'appoint de \$7.35 la tonne a été autorisé en fonction du prix de vente enregistré de \$80.84 la tonne. L'admissibilité maximum sous le programme a été établie à 160 tonnes de ventes nettes provenant de la ferme par producteur, avec un déductible de 10 tonnes. Au 31 mars 1979, aucun paiement avait encore été versé.

PRODUITS DESIGNES

Programmes des années précédentes

Vaches de boucherie 1974

Des paiements de \$336.45 pour 6,623 livres à 2 producteurs ont été versés sous ce programme des années précédentes en vertu du décret P.C. 1975-1005. Ceci a porté le total du coût du programme à \$6,274,882.49 pour 123,511,635 livres à 35,829 producteurs au 31 mars 1979. Un remboursement de \$157.58 des paiements versés en trop l'année dernière a été effectué.

Naissances 1977

Des paiements additionnels de \$736,739.66 ont été versés pour 71,847 naissances à 1,720 producteurs au courant de l'année fiscale 1978-79, sous le programme des naissances 1977 autorisé par le décret C.P. 1978-576. Ces paiements ont porté le total des dépenses du programme à \$24,552,643.47 pour 2,650,847 naissances à 74,080 producteurs. Des remboursements de \$5,834.55 ont été effectués et crédités aux dépenses de l'année dernière.

Pommes de terre (variété tardive) de la C.B. 1976

Des paiements versés en 1978-79 en vertu du décret 1978-8 du 12 janvier 1978 se sont élevés à



#### Lait et crème de transformation 1978

Pour l'année laitière se terminant le 31 mars 1978, un prix prescrit pour le lait de transformation a été établi à \$12.42 les cent livres, soit 166% de la moyenne des prix de vente des cinq dernières années, indexée en fonction des changements aux coûts comptants de production. En vertu de cette autorité, des paiements de \$245,674,764.10 ont été versés à la Commission canadienne du lait dans le but de fournir un soutien des prix aux producteurs de lait et de crème de transformation. Un montant additionnel de \$24,849,000 a été transféré sous le programme de l'année précédente, portant le total des paiements à la CCL à \$271,523,764.00 pour l'année fiscale.

#### Maïs 1977

Un prix de soutien pour le maïs en grains comme produit dénommé a été établi selon la Loi à \$88.97 la tonne pour la période de mise en marché du 1 septembre 1977 au 31 août 1978. La moyenne des recettes au marché a été calculée à \$83.46 la tonne et un paiement d'appoint de \$5.51 la tonne a été annoncé. Les producteurs étaient admissibles pour un paiement jusqu'au maximum de 1,000 tonnes par ventes nettes de la ferme (nettes des équivalents en moultée achetée). Un minimum de 10 tonnes a aussi été établi afin d'assurer que les paiements soient versés seulement qu'aux producteurs légitimes. Sous ce programme, des paiements de \$5,262,873.37 pour 955,153 tonnes de maïs en grains ont été versés à 4,742 producteurs au 31 mars 1979.

#### Soja 1977

Un prix prescrit pour le Soja, de base #2 de l'Ontario, livré durant la période du 1 septembre 1977 au 31 août 1978 a été établi à \$180.78 la tonne. La moyenne des prix de vente enregistrée pour cette même période était \$240.31 la tonne et en conséquence, aucun paiement a été versé.

Avoine et orge 1977 (produits à l'extérieur de la région désignée dans la Loi sur la Commission canadienne du blé)

Bovins d'abatage 1976 (bouvillons et génisses de catégories A, B et C vendus à l'abatage)

Les paiements versés pour ce programme en vertu du décret C.P. 1977-112 du 25 janvier 1977, étaient \$336,276.36 pour 126,629 cent livres à 108 producteurs pour l'année 1978-79. Ces paiements ont porté le total des dépenses du programme à \$46,462,619.79 pour 17,509,416 cent livres à 27,045 producteurs. Un montant de \$15,042.64 a été remboursé des dépenses de l'année précédente, au terme de l'année fiscale 1978-79.

L'année en cours:

Bovins d'abatage 1978 (bouvillons et génisses de catégorie A, B et C vendus à l'abatage)

Pour l'année de production du 1 janvier 1978 au 31 décembre 1978, le prix prescrit pour les bovins d'abatage a été établi selon le minimum des dispositions de la Loi à \$42.91 les cent livres. Puisque la moyenne des prix de vente a été calculée à \$59.39 les cent livres, aucun paiement a été autorisé.

Porcs 1978

Le prix prescrit pour les porcs pour la période du 1 avril 1978 au 31 mars 1979 a été établi à \$53.74 les cent livres. Aucun paiement d'appoint a été versé cependant, puisque la moyenne des prix de vente calculée à \$70.55 les cent livres était supérieure au prix prescrit.

Agneaux 1978

Tel que pour les bovins d'abatage, l'année de production utilisée pour le soutien du prix d'agneaux est l'année du calendrier. Pour 1978, un prix prescrit de \$46.01 les cent livres a été établi selon la Loi, pour les agneaux de catégorie A et B pesant plus de 80 livres vendus à l'abatage. Aucun paiement a été versé puisque la moyenne des prix de vente pour cette période a été calculée à \$75.53 les cent livres.



## COMITE CONSULTATIF

La qualité de membre du Conseil consultatif appoiné par le ministre d'Agriculture en vertu de la section 5 de la Loi a été renchérie par l'addition des membres des provinces du Québec et du Nouveau-Brunswick.

En conséquence, le comité était formé des suivants:

Président: W.D. Lea, Edmonton, Alberta

Membres:

P. Couture, Montréal, Québec  
P. Epp, Leamington, Ontario  
H. Fuller, Wolfville, Nouvelle-Ecosse  
L. Hehn, Markinch, Saskatchewan  
J. Mayne, Kensington, Ile-du-Prince-Edouard  
A. Pray, New Denmark, Nouveau Brunswick  
R. Reynolds, Delta, Colombie-Britannique  
D. Van Breda, Blenheim, Ontario  
G. Vercaigne, Brandon, Manitoba

Le comité s'est rencontré deux fois durant l'année pour discuter des items d'intérêt courant et pour fournir des conseils au ministre et à l'Office.

## PROGRAMMES 1978-79

### PRODUITS DENOMMES

Pour les programmes de soutien antérieurs:

### Bovins d'abatage 1974

Le restant des paiements à verser sous ce programme, en vertu du décret C.P. 1974-2109, s'est élevé à \$19,926.72 et a été versé pour 3,918 têtes de bovins pesant 41,654 cent livres et vendues à l'abatage par 3 producteurs. Ces paiements ont porté le total des montants fournis sous ce programme à \$9,084,711.89 pour 1,885,782 têtes de bovins pesant 18.9 million cent livres par quelques 28,452 producteurs.

### Primes à la qualité du boeuf 1974

Aucun paiement a été versé sous ce programme. Une poursuite juridique a été initiée par la Couronne afin de recouvrer des montants qui, suite à une vérification, ont été démontrés comme étant dus au gouvernement du Canada.

# LES MEMBRES DE L'OFFICE

Les membres de l'Office pour 1977-78, tel qu'au 31 mars 1978, ont continué de remplir leurs fonctions respectives pour l'année fiscale 1978-79, comme suit:

Président - Dr. G.I. Trant, sous-ministre adjoint principal, Direction des politiques, la planification et de l'économie

Vice-président - Dr. E.J. LeRoux, sous-ministre adjoint, Direction de la recherche

Membre - M. M.J. Heney, sous-ministre adjoint, Direction de la production et la commercialisation des aliments.

## FAITS SAILLANTS DES ACTIVITES

Le total des paiements versés en 1978-79 était \$47,068,771., y excluant ceux pour le lait, à quelques 28,117 producteurs pour une moyenne de \$1,674.03, comparé à \$70,530,976 à 108,500 producteurs à l'année fiscale précédente. Cette diminution est principalement le résultat d'un accroissement important du prix de vente dans le secteur du boeuf qui a éliminé la nécessité de continuer l'aide par la stabilisation. Un montant additionnel de \$271,523,764 a été fourni à la Commission canadienne du lait au courant de l'année pour les programmes pour le soutien du lait et la crème de transformation.

D'autres progrès ont été réalisés dans les discussions avec les provinces et les organisations de producteurs en ce qui concerne l'harmonisation de programmes de stabilisation fédéral et provinciaux. Des propositions pour une nouvelle loi qui incorporerait une nouvelle formule basée sur une garantie d'une marge au-dessus des coûts comptants de production au lieu d'un pourcentage de la moyenne des prix de vente ont été présentées. Ces propositions comprenaient aussi une expansion de la liste de produits dénommés ainsi que des dispositions pour des contributions par les producteurs envers les coûts des programmes. Cependant, un désaccord considérable envers de telles actions a été exprimé par certaines provinces et les secteurs de produits particuliers indiquant le besoin pour des consultations additionnelles avec les organisations de producteurs. De telles consultations sont toujours en marche.



L'OFFICE DE STABILISATION DES PRIX AGRICOLES

RAPPORT ANNUEL 1978-79

PRESENTE

AU MINISTRE DE L'AGRICULTURE

L'HONORABLE JOHN WISE, C.P., M.P.

Membres de l'Office:

G. I. Trant, président  
E. J. LeRoux, vice-président  
M. J. Heney, membre

Gestionnaire-secrétaire:

A. E. Proulx



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**RAPPORT  
ANNUEL  
de l'Office  
de stabilisation  
des prix  
agricoles**

**1978**  
**1979**





CAI  
DB11  
-A55

1979  

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1980

# ANNUAL REPORT

of the  
Agricultural  
Stabilization  
Board





THE AGRICULTURAL STABILIZATION BOARD

ANNUAL REPORT

TO

THE MINISTER OF AGRICULTURE

THE HONOURABLE EUGENE F. WHELAN, P.C., M.P.

FOR THE YEAR

1979-80

Board Members:

G.I. Trant, Chairman  
M.J. Heney, Vice-Chairman  
G.J. Lavoie, Member

Secretary-Manager:

A.E. Proulx



## YEAR IN REVIEW

### The Board Members

For the 1979-80 fiscal year, Dr. G.I. Trant continued to serve as Chairman. Dr. E.J. LeRoux, Vice-Chairman, resigned on October 16, 1979, under pressures of other responsibilities. Dr. LeRoux's services to the Board have been greatly appreciated. Under Order-in-Council, P.C. 1979-2763, Mr. M.J. Heney was appointed Vice-Chairman and Mr. G.J. Lavoie was appointed as the third member of the Board.

At year end, the Board was comprised as follows:

- Chairman - Dr. G.I. Trant, Senior Assistant Deputy Minister  
(Policy & Planning)
- Vice-Chairman - Mr. M.J. Heney, Assistant Deputy Minister,  
Marketing Branch
- Member - Mr. G.J. Lavoie, Director, Federal-Provincial Relations.

### ACTIVITY HIGHLIGHTS

Total deficiency payments made to producers in 1979-80 amounted to \$30,798,120 (excluding payments under the dairy program) to 17,388 claimants compared to \$47,068,771 paid to 28,117 producers in 1978-79. The average cheque issued was \$1,771.23 compared to \$1,738.84 last year.

Programs for named commodities were provided for barley and corn. For designated commodities payments were made to producers of apples (Quebec), onions, potatoes, sugar beets, soft white wheat, and white beans.

For programs for the support of industrial milk and cream, an additional amount of \$279,695,125.92 was paid to the Canadian Dairy Commission during the year ending March 31, 1980.

As a result of inconsistency revealed during the processing of a number of onion and potato applications, an RCMP investigation was conducted in the St. Jean area, south of Montreal. Thirty-nine charges of alleged fraud were laid. The Board is attempting to recover some \$412,108.57 through court proceedings.

### ADVISORY COMMITTEE

The members of the Advisory Committee, appointed by the Minister of Agriculture pursuant to Section 5 of the Act, met three times during the year to review matters relating to stabilization and to provide their views to the Minister and to the Board. The Committee, on March 31, 1980, was constituted as follows:

Chairman: W.D. Lea, Edmonton, Alberta

Members: P. Couture, Montreal, Quebec  
P. Epp, Leamington, Ontario  
H. Fuller, Wolfville, Nova Scotia  
L. Hehn, Markinch, Saskatchewan  
J. Mayne, Kensington, Prince Edward Island  
R. Reynolds, Delta, British Columbia  
D. Van Breda, Blenheim, Ontario  
G. Vercaigne, Brandon, Manitoba.

At the year end, a vacancy existed for a member of the Committee from New Brunswick.

#### PROGRAMS 1979-80:

#### NAMED COMMODITIES

From previous support programs:

##### 1974 Slaughter Cattle

While no payments were made under this program, a recovery of \$169.18 on an outstanding claim was made. This has been credited to previous year's expenditures.

##### 1976 Slaughter Cattle (A, B and C grade steers and heifers sold for slaughter)

Additional payments made for this program were \$11,288.62 on 4,395 cwt. to six (6) producers. These payments brought total program expenditures under Order-in-Council P.C. 1977-112, dated January 25, 1977, to \$46,473,908.41 on 17,513,811 cwt. to 27,051 producers.

##### 1976 Corn

Adjustment payments made in 1979-80 amounted to \$32,896.50 on 548,275 bushels to 81 producers. This brought the total program cost on the 1976 corn crop to \$3,736,906.07 on 62,268,537 bushels to 9,981 producers.

##### 1977 Corn

During 1979-80, payments on the 1977 corn crop amounted to \$6,467,942.85 on 1,173,860 tonnes to 5,202 producers. This brought the total 1977 program cost to \$11,730,816.22 on 2,129,013 tonnes (83,814,983 bushels) to 9,944 producers.

1977 Barley (produced outside the designated area as defined in the Canadian Wheat Board Act)

Payments made on the 1977 barley crop amounted to \$310,871.90 on 42,295 tonnes to 900 producers.

Total payments on previous years' programs for named commodities amounted to \$6,822,830.69.

CURRENT YEAR:

1979 Slaughter Cattle (A, B, and C grade steers and heifers sold for slaughter)

The prescribed price for slaughter cattle for the 1979 production year (January 1, 1979, through December 31, 1979), calculated at the minimum under the Act of 90% of the five-year average market price, indexed for cash cost of production changes, was \$65.16 per cwt. Since the weighted average market price for the year was \$76.44 per cwt., no deficiency payment was indicated and no payment program was announced as of March 31, 1980.

1979 Hogs

The prescribed price for slaughter hogs for the 1979 production year (April 1, 1979 to March 31, 1980), calculated at the minimum under the Act of 90% of the five-year average market price, indexed for cash cost of production changes, was \$61.05 per cwt. (Index 100 hogs). Since the weighted average market price for the year was \$58.59 per cwt., a deficiency payment of \$2.46 per cwt. was announced. Producers are eligible for payment on up to 5000 hogs per producer. No payments were made as of March 31, 1980.

1979 Sheep

Pursuant to the Act, the prescribed price for "good grade lambs" sold between January 1, 1979, and December 31, 1979, was set at \$54.16 per cwt. The weighted average market price was recorded at \$83.27 per cwt. and no deficiency payments were made.

1979 Industrial Milk and Cream

Pursuant to the Act, the prescribed price for industrial milk and cream for the year ending March 31, 1980, was set at \$13.29 per cwt. being 158% of the average market price for the previous five years, indexed to reflect changes in cash costs of production. Payments made to the Canadian Dairy Commission under Order-in-Council P.C. 1979-1647 dated June 13, 1979, were \$248,153,018. A further amount of \$31,542,107 was transferred under the previous year's program, bringing total payments to the Canadian Dairy Commission to \$279,695,125 for the fiscal year.

### 1978 Soybeans

The support price calculated for 1978 soybeans delivered between September 1, 1978, and August 31, 1979, was calculated pursuant to the Act at the 90% level to be \$224.87 per tonne. With the average market price being \$280.72 per tonne, no deficiency payment for the 1978 soybean crop was needed.

### 1978 Corn

Corn sold during the market year September 1, 1978, through August 31, 1979, was covered by a support price of \$97.63 per tonne. With the average market return of \$108.26 per tonne exceeding the support price, no payment program was provided.

### 1978 Oats and Barley (produced outside the designated area as defined in the Canadian Wheat Board Act).

OATS: In accordance with the provisions of the Act, a prescribed price of \$94.02 per tonne was set for 1978 oats sold during the period of August 1, 1978, through July 31, 1979. Since the market price was calculated to be \$103.10 per tonne, no payments were authorized.

BARLEY: In accordance with the provisions of the Act, a prescribed price of \$84.51 per tonne was set for 1978 barley sold during the period of August 1, 1978, through July 31, 1979. Since the market price was calculated to be \$96.45 per tonne, no payments were authorized.

### DESIGNATED COMMODITIES:

#### Previous Years' Programs

### 1974 D-Cows

No payments were actually made under this program, but \$322.47 of a previous year's expenditure was recovered.

### 1975 Apples

In 1979-80, two recoveries and one outstanding payment were made under this program with a net amount of \$12,866.76 credited to previous years' expenditures.



### 1976 B.C. Late Potatoes

While no payments were made under this program, recovery of an overpayment of \$720.00 was made.

### 1977 Sweet Cherries

Payments of \$1,190.03 were made under Order-in-Council P.C. 1978-408 dated February 16, 1978, on 42,501 pounds of sweet cherries to two producers, bringing the total expenditures for the 1977 sweet cherry support program to \$440,406.48 on 15,728,808 pounds to 1,371 producers.

### 1977 Eastern Potatoes

#### Interim Program

Recovery of advance payments amounting to \$521,749.10 was made in 1979-80 from 261 producers. As at March 31, 1980, nine producers to whom \$14,632.30 had been advanced had not yet reconciled their final application. Legal action by the Crown to effect further recovery has been initiated through Civil Litigation.

#### Final Program

Payments made for this program under Order-in-Council P.C. 1978-3223 dated October 19, 1978, were \$2,030,194.89 on 1,595,062 cwt. to 524 producers. These payments brought total program expenditures to \$20,963,132.52 on 15,712,188 cwt. to 3,766 producers as of the end of the 1979-80 fiscal year.

### 1977 Eastern Wheat

Payments made for this program under Order-in-Council P.C. 1979-137, dated January 25, 1979, were \$7,206,662.82 on 225,420 tonnes to 5,326 producers. These payments brought total program expenditures to \$24,050,398.53 on 752,282 tonnes to 16,016 producers.

### 1977 Quebec Apple

Under Order-in-Council P.C. 1979-286 dated February 8, 1979, payments made were \$2,949,439.98 on 151,258,473 pounds to 573 producers. These payments brought total program expenditures to \$3,207,407.64 on 164,487,584 pounds to 617 producers as of the end of the 1979-80 fiscal year.

### 1977 Yellow Seed Onions

Total payments made under Order-in-Council P.C. 1979-816 dated March 22, 1979, were \$4,458,704.63 on 165,134,754 pounds to 428 producers. All of these payments were made in the 1979-80 fiscal year.

### 1977 White Beans

Payments made under Order-in-Council P.C. 1978-3046 dated October 4, 1978, were \$40,424.88 on 15,084 cwt. to 40 producers. Total program cost as at March 31, 1980, was \$1,883,524.52 on 702,808 cwt. to 1,900 producers.

## CURRENT YEAR PROGRAMS

### 1977 Sugar Beets

The designation of the 1977 sugar beet crop was approved by Order-in-Council P.C. 1979-1355 dated April 26, 1979. A prescribed price of \$32.74 per standard tonne (yielding 250 kilograms of sugar) was recommended on the basis of 80% of the previous five-year average market returns, indexed for cash cost changes. The average 1977 market returns were \$31.68 per standard tonne and, therefore, a deficiency payment of \$1.06 per standard tonne was provided. Payments made were \$1,087,438.01 on 1,011,837 tonnes to 1,383 producers in the fiscal year 1979-80.

### 1978 Potato

The 1978 potato crop was designated for support under Order-in-Council 1980-88 dated January 4, 1980. A prescribed price of \$3.92 per cwt. was set, being 95% of the five-year average producer returns, indexed for cash cost of production changes. Since the average market returns for 1978 were \$3.52 per cwt., a deficiency payment of \$0.40 per cwt. was calculated. Payments were made amounting to \$3,017,331.60 on 7,543,329 cwt. to 1,294 as at March 31, 1980. Producers were eligible for assistance on up to 10,000 cwt. sold.

### 1978 White Beans

The 1978 white bean crop was designated for support under Order-in-Council P.C. 1980-201 dated January 14, 1980. A prescribed price of \$389.55 per tonne was set, being 90% of the five-year average producer returns, indexed for cash cost of production changes. With the average market returns for 1978 calculated at \$320.77 per tonne, a deficiency payment of \$68.78 per tonne was authorized. Payments were made amounting to \$3,156,395.64 on 45,893 tonnes to 1,629 producers. Producers were eligible for assistance on up to 160 tonnes of beans sold grading Canada Eastern No. 1 to 4.

1978 Onions

A deficiency payment of 0.6¢ per pound of eligible sales of yellow seeded onions to producers in Quebec, Ontario and Manitoba was confirmed by Order-in-Council P.C. 1980-524 dated February 20, 1980. This resulted from a prescribed price of 4.5¢ per pound, calculated at 90% of the previous five-year average market returns, indexed for cash cost of production changes, and average market returns for the 1978 crop of 3.9¢ per pound. Eligibility per producer as with the 1977 program was set at 70% of their eligible sales up to a maximum of 2,000,000 pounds. As at March 31, 1980, no payments had yet been made to growers.

# FIVE-YEAR SUMMARY OF PAYMENTS

## A. DISTRIBUTION OF PAYMENTS BY PROVINCE

PROVINCE	1975-76	1976-77	1977-78	1978-79	1979-80
NEWFOUNDLAND	\$ 39,204	\$ 397	\$ 4,089	\$ 50,213	\$ 9,540
PRINCE EDWARD ISLAND	5,468,748	106,702	296,093	5,636,735	1,512,217
NOVA SCOTIA	133,842	1,354,054	289,100	275,984	161,489
NEW BRUNSWICK	4,623,237	143,751	455,986	5,370,119	1,697,598
QUEBEC	2,944,119	3,813,739	1,302,886	5,894,360	6,197,163
ONTARIO	4,190,109	8,372,439	17,061,081	27,980,364	19,400,685
MANITOBA	1,165,813	1,096,882	6,874,895	139,720	646,848
SASKATCHEWAN	2,051,827	1,433,643	12,610,172	338,988	2,435
ALBERTA	4,480,457	5,313,545	26,890,021	676,917	601,757
BRITISH COLUMBIA	742,663	7,113,258	4,746,351	675,804	5,222
YUKON			92		
TOTAL	\$25,840,019	\$28,748,410	\$70,530,766	\$47,039,204	\$30,234,954

NOTE: Amounts shown include refunds from previous years' expenditures.

# PAYMENTS BY COMMODITY

	<u>1975-1976</u>	<u>1976-1977</u>	<u>1977-1978</u>	<u>1978-1979</u>	<u>1979-1980</u>
Apples	\$ -	\$ 12,709,651	\$ 136,305	\$ 255,317	\$ 2,936,574
Apricots	-	-	128,921	70,604	-
Barley	-	-	-	-	310,870
Beef	(138,457)	(347)	(38)	-	-
Carrots	-	466,449	-	-	-
Cattle	6,310,010	11,190,168	37,690,951	356,203	11,119
Corn	-	-	2,157,397	6,809,486	6,500,838
Dairy-Calf	-	-	23,815,904	736,740	-
Dairy-cows	5,285,905	986,981	1,660	336	(322)
Eggs	-	169	-	-	-
Greenhouse	-	-	712,622	-	-
Lentils	-	-	-	-	4,458,704
Peas	-	258,192	1,460,639	4,928	-
Potatoes	13,759,580	1,879,617	1,527,799	19,669,496	4,525,059
Pruine-Plums	-	472,630	326,295	408	-
Raspberries	-	733,115	-	-	-
Sugar Beets	-	-	1,243,992	16,731	1,087,438
Sweet Cherries	622,981	51,785	1,328,319	432,119	1,190
Wheat	-	-	-	16,843,736	7,206,662
White Beans	-	-	-	1,843,100	3,196,821
Transfers to C.D.C.	<u>275,000,000</u>	<u>233,117,732</u>	<u>293,580,000</u>	<u>271,523,764</u>	<u>279,695,125</u>
TOTAL	<u>\$300,840,019</u>	<u>\$261,866,142</u>	<u>\$364,110,766</u>	<u>\$318,562,968</u>	<u>\$309,930,078</u>

NOTE: Amounts shown include refunds from previous years' expenditures and may thus differ from amounts shown on the statement of expenditure.

AGRICULTURAL STABILIZATION BOARD

ADMINISTRATION EXPENSES:	<u>1979-80</u>	<u>1978-79</u>
Salaries - full-time personnel	\$ 817,351	\$ 805,292
- casual personnel	49,299	67,399
Overtime	728	3,618
Allowances and Supplementary Costs	26,416	25,792
Travel	9,898	13,798
Postage and Freight	572	524
Telephone and Telegraph	21,242	32,813
Advertising	-	-
Professional and Special Services	40,198	24,280
Rentals	3,872	5,958
Repairs and Upkeep of Equipment	226	1,440
Materials and Supplies	19,372	44,937
Equipment and Furnishings	<u>757</u>	<u>17,509</u>
Total	\$989,931	\$1,043,360

The Board used 57 manyears of full-time employment and 5 manyears of casuals.

Services to the Board in the administration of subsidy programs were provided by commodity specialists from the Food Production and Marketing Branch, Agriculture Canada, and have been included under support services provided without charge. In addition, advisors from the Policy, Planning and Economics Branch assisted in the collection of base data and the preparation of recommendations to the Board for support programs. Since this assistance is not directly related to the administration of programs under the Act, no attempt has been made to relate the costs of providing these services.

Administration expenses of the Agricultural Products Board are included in the total costs shown above but are excluded in the financial statements.

Audited financial statements for the 1979-80 fiscal year are attached.





AUDITOR GENERAL OF CANADA

VÉRIFICATEUR GÉNÉRAL DU CANADA

The Chairman  
Agricultural Stabilization Board  
Ottawa, Ontario

I have examined the statement of expenditure of the Agricultural Stabilization Board for the year ended March 31, 1980. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, this financial statement gives a true and fair view of the expenditures of the Board for the year ended March 31, 1980, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

I further report that, in my opinion, proper books of account have been kept by the Board, the financial statement is in agreement therewith and the transactions that have come under my notice have been within its statutory powers.

As explained in Note 3 to the financial statement, charges have been laid under the Criminal Code for claim payments to certain individuals. Judgements are pending. Any recovery of payments will be recorded as refunds of expenditure when received.

A handwritten signature in dark ink, appearing to read "Neil C. [unclear]".

Senior Deputy Auditor General  
for: Auditor General of Canada

Ottawa, Ontario

July 31, 1980



AGRICULTURAL STABILIZATION BOARD  
(Established by the Agricultural Stabilization Act)

Statement of Expenditure  
for the year ended March 31, 1980

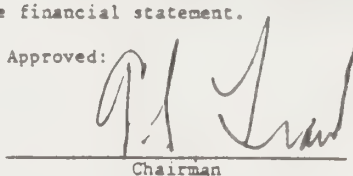
	<u>1980</u>	<u>1979</u>
Payments to the Canadian Dairy Commission for stabilization of the price of milk for the benefit of producers	\$ 279,695,125	\$ 271,523,764
Deficiency payments:		
Apples	2,949,732	257,967
Apricots	-	70,603
Barley	310,872	-
Cattle	11,289	371,312
Corn	6,507,064	6,810,976
D-Cows	-	494
Cow-Calf	-	742,576
Onions	4,458,705	-
Pears	-	4,929
Potatoes	4,540,749	19,670,533
Prune-Plums	-	409
Sugar Beets	1,087,438	20,017
Sweet Cherries	1,190	432,119
Wheat	7,212,511	16,843,736
White Beans	3,196,821	1,843,100
	<u>30,276,371</u>	<u>47,068,771</u>
Administration expenses:		
Salaries and Benefits	972,064	1,003,158
Accommodation	96,688	97,106
Part-time Management and Support Services	18,915	73,324
Accounting Services	9,224	14,948
Other	121,205	138,433
	<u>1,218,096</u>	<u>1,326,969</u>
	311,189,592	319,919,504
Deduct:		
Refunds of expenditures	<u>41,416</u>	<u>29,567</u>
Expenditures for the year	<u>\$ 311,148,176</u>	<u>\$ 319,889,937</u>
Expenditures for they year provided by:		
Agriculture Vote 20	\$ 309,930,080	\$ 318,562,968
Agriculture Vote 15	978,983	1,022,492
Government Departments without charge	<u>239,113</u>	<u>304,477</u>
	<u>\$ 311,148,176</u>	<u>\$ 319,889,937</u>

The accompanying notes are an integral part of the financial statement.

Approved:

  
Secretary

Approved:

  
Chairman

AGRICULTURAL STABILIZATION BOARD

Notes to Financial Statement  
March 31, 1980

1. Board objectives

The stated objectives of the Agricultural Stabilization Board are as follows:

- to stabilize the prices of agricultural commodities in order to assist the industry of agriculture to realize fair returns for its labour and investment.
- to maintain a fair relationship between prices received by farmers and the costs of goods and services that they buy.

2. Significant accounting policies

(a) Deficiency payments and administrative expenses

Expenditures for the year include all amounts for work performed, goods received or services rendered prior to April 1, 1980. This basis is consistent with that followed by the departments of the Government of Canada.

(b) Services provided without charge

An estimated amount for services provided without charge by Government Departments is included in the statement.

(c) Fixed assets

Purchases of furniture and equipment are recorded as an administrative expense in the year of acquisition.

(d) Employee termination benefits

Termination benefits accrue to employees over their service period. Payments of these benefits are made to the employees on separation or retirement and are expensed by the Board when paid.

(e) Refunds of expenditure

Refunds of expenditure relate to overpayments of deficiency payments and, when received, reduce the cost of the programs.

3. Alleged fraud

A Royal Canadian Mounted Police investigation has resulted in 39 cases of suspected fraudulent applications under the Onion and Potato Programs, on which payments totalling \$412,000 were made during 1979-80. The individuals concerned have been charged under the Criminal Code, but no judgements have as yet been rendered by the Courts. Should any be found guilty, arrangements have been made with the Department of Justice for court orders of restitution and any recoveries will be credited in the year received.

4. Contingent liabilities

The Board is currently defending an action by a producer under the 1976 Slaughter Cattle Program as a result of a dispute concerning producer eligibility in excess of the maximum payments allocated for this program. If such action is successful, the Board could be liable for an additional payment amounting to \$156,000. Payment, if any, will be expensed in the year paid.

On June 27, 1979, the Board was advised that the Federal Court had ruled in favour of a claimant who had brought suit under the 1975 Apple Program. The Board successfully appealed the decision, but the claimant has received leave to appeal to the Supreme Court. If such action is successful, the Board could be liable for an additional payment not to exceed \$58,500. Payment, if any, will be expensed in the year paid.

5. Financing

Funding to cover deficiency payments is provided by Agriculture Vote 20. The funds provided through this Vote in the year amounted to \$309,930,080 (\$318,562,968 in 1979). Funding to cover administrative expenses is provided by Agriculture Vote 15. The funds provided through this Vote in the year amounted to \$978,983 (\$1,022,492 in 1979).

3. Allégation de fraude

Une enquête de la Gendarmerie royale du Canada a mis à jour 39 cas de réclamations présumément frauduleuses, dans le cadre des Programmes des oignons et des pommes de terre. Ces cas auraient nécessité des versements s'élevant à \$412,000, en 1979-1980. Les individus impliqués ont fait l'objet d'accusations, conformément aux dispositions du Code criminel, mais jusqu'à maintenant, le tribunal n'a pas encore rendu son verdict. Advenant un verdict de culpabilité, le ministère de la Justice a entamé des procédures pour que cette somme soit restituée, en vertu d'une ordonnance judiciaire, et que les recouvrements soient crédités, le cas échéant, au cours de l'exercice où on les aura perçus.

4. Éléments de passif éventuel

L'Office fait présentement l'objet d'une poursuite en justice de la part d'un producteur, dans le cadre du Programme de bovins d'abatage de 1976, par suite d'une controverse sur l'admissibilité du producteur aux versements maximum prévus par ce programme. Si le demandeur obtient gain de cause, l'Office pourrait être redevable d'un montant de \$156,000 en versements additionnels. Dans ce cas, ceux-ci seront comptabilisés durant l'exercice où on les aura effectués. Le 27 juin 1979, la Cour fédérale avisait l'Office d'une décision prise en faveur d'un demandeur qui avait intenté des poursuites dans le cadre du Programme des pommes de 1975. L'Office a interjeté appel avec succès, mais le demandeur a été autorisé à s'en remettre à la Cour suprême. Si le demandeur obtient gain de cause, l'Office pourrait être redevable d'un montant maximum de \$58,500 en versements additionnels. Dans ce cas, ceux-ci seront comptabilisés durant l'exercice où on les aura effectués.

5. Financement

Les fonds qui doivent couvrir les paiements d'appoint sont fournis par le biais du Crédit 20 - Agriculture. Pour l'exercice, les fonds provenant de ce Crédit s'élevaient à un total de \$309,930,080 (318,562,968 en 1979). Les fonds qui couvrent les dépenses d'administration sont fournis par le biais du Crédit 15. Pour l'exercice, les fonds provenant de ce Crédit totalisaient \$978,983 (\$1,022,492 en 1979).

# L'OFFICE DE STABILISATION DES PRIX AGRICOLES

Notes afférentes à l'état financier

du 31 mars 1980

## 1. Objectifs de l'Office

Les objectifs énoncés par l'Office de stabilisation des prix agricoles sont les suivants:

- la stabilisation des prix des produits agricoles afin d'aider l'industrie de l'agriculture à obtenir un juste rendement pour son travail et son investissement;
- le maintien d'un rapport équitable entre les prix perçus par les cultivateurs et le coût des marchandises et des services qu'ils se procurent.

## 2. Conventions comptables importantes

- a) Versements d'appoint et frais d'administration
- Les dépenses, au cours de l'exercice, comprennent toutes les sommes qui se rapportent au travail effectué, aux biens reçus ou aux services rendus avant le 1<sup>er</sup> avril 1980. Cela est conforme à ce qui se fait dans les autres ministères du gouvernement du Canada.
- b) Services fournis gratuitement
- L'état financier comprend un montant estimatif des services que d'autres ministères fournissent gratuitement.
- c) Immobilisations
- Les achats de mobilier et de matériel sont inscrits comme dépenses d'administration dans l'exercice d'acquisition.
- d) Indemnités de cessation d'emploi
- Le montant des indemnités versées lors de la cessation d'emploi augmente proportionnellement aux années de service des employés. Ces indemnités sont versées aux employés au moment de leur retraite ou de leur cessation d'emploi, et elles sont imputées aux dépenses de l'Office au moment où elles sont versées.
- e) Remboursements des dépenses

Les remboursements de dépenses s'appliquent aux versements d'appoint et diminuent le coût des programmes, au moment où il est effectué.

OFFICE DE STABILISATION DES PRIX AGRICOLES  
(Constituée en vertu de la loi sur la stabilisation des prix agricoles)

État des dépenses  
pour l'année terminée le 31 mars 1980

1979	1980
\$ 271,523,764	\$ 279,695,125
Palements à la Commission canadienne du lait pour stabiliser le prix du lait au bénéfice des producteurs	
Palements d'appoint:	
Pommes	2,949,732
abricots	-
Orge	310,872
Bovins d'abatage	11,289
Moutons	6,507,064
Vaches (D)	-
Naisseur	-
Oignons	4,458,705
Poires	-
Pommes de terre	4,540,749
Prunaux	-
Becterales à sucre	1,087,438
Cerises sucrées	1,190
Ble	7,212,511
Haricots blancs	3,196,821
	30,276,371
47,068,771	
1,003,158	972,064
97,106	96,688
73,324	18,915
14,948	9,224
138,433	121,205
1,326,969	1,218,096
319,919,504	311,189,592
	41,416
29,567	
\$ 319,889,937	\$ 311,148,176
\$ 318,562,968	\$ 309,930,080
1,022,492	978,983
304,477	239,113
\$ 319,889,937	\$ 311,148,176

Déduire:  
Remboursement de dépenses  
Dépenses de l'année  
Dépenses de l'année acquittées à même  
le crédit 20 - Agriculture  
le crédit 15 - Agriculture  
les services fournis gratuitement par  
les ministères

Dépenses d'administration:  
Traitements et prestations  
Locaux  
Gestion à temps partiel et services de soutien  
Services de comptabilité  
Autres

Les notes ci-jointes font partie intégrante de l'état financier.

Approuvé:

Secrétaire

Approuvé:

Président





Le président  
Office de stabilisation des prix agricoles  
Ottawa (Ontario)

J'ai vérifié l'état des dépenses de l'Office de stabilisation des prix agricoles pour l'exercice terminé le 31 mars 1980. Ma vérification a été effectuée conformément aux normes de vérification généralement reconnues, et a comporté par conséquent les sondages et autres procédés que j'ai jugés nécessaires dans les circonstances.

À mon avis, cet état financier présente un aperçu juste et fidèle des dépenses de l'Office pour l'exercice terminé le 31 mars 1980 selon les principes comptables généralement reconnus, appliqués de la même manière qu'au cours de l'exercice précédent.

De plus, je déclare que l'Office, à mon avis, a tenu des livres de comptabilité appropriés, que l'état financier est conforme à ces derniers et que les opérations dont j'ai eu connaissance ont été effectuées dans le cadre de ses pouvoirs statutaires.

Ainsi que l'explique la note 3 jointe à l'état financier, des accusations ont été portées en vertu du Code criminel contre certaines personnes au sujet du paiement de prestations. Le tribunal n'a pas encore rendu son verdict. Tout paiement recouvré sera inscrit comme remboursement de dépenses au moment de sa réception.

Le Premier sous-vérificateur général  
pour le Vérificateur général du Canada

Ottawa (Ontario)

le 31 juillet 1980



# L'OFFICE DE STABILISATION DES PRIX AGRICOLES

DEPENSES ADMINISTRATIVES:		1979-80	1978-79
Salaires - employés à plein temps	\$	817,351	\$ 805,292
- employés temporaires		49,299	67,399
Heures supplémentaires		728	3,618
Allocations		26,416	25,792
Voyages		9,898	13,798
Affranchissement et transport de marchandises		572	524
Téléphone et télégraphe		21,242	32,813
Publicité		-	-
Services professionnels et spéciaux		40,198	24,280
Location		3,872	5,958
Réparation et entretien de matériel		226	1,440
Fournitures et approvisionnements		19,372	44,937
Matériel de bureau et ameublement		757	17,509
Total		\$989,931	\$1,043,360

L'Office a utilisé 57 années-hommes d'employés à plein temps et 5 années-hommes d'employés temporaires.

Les services fournis à l'Office pour l'administration des programmes de subventions par les spécialistes en produits agricoles de la Direction générale de la production et la commercialisation des aliments, ministère de l'Agriculture, sont inclus dans les états financiers sous l'entête de services de soutien fournis gratuitement. De plus, les conseillers de la Direction générale des politiques, la planification et l'économie ont aidé à la collection des données de base et à la préparation de recommandations à l'Office pour les programmes de soutien. Puisque cette aide n'est pas directement reliée à l'administration des programmes sous la Loi, aucun attentat a été fait pour rapporter les coûts de fournir ces services. Les dépenses administratives de l'Office des produits agricoles sont comprises dans le total des frais, mais n'apparaissent pas dans les états financiers ci-joints.

Les états financiers vérifiés pour l'année fiscale 1979-80 sont concomitants.

	1975-1976	1976-1977	1977-1978	1978-1979	1979-1980
Pommes	\$ -	\$ 12,709,651	\$ 136,305	\$ 255,317	\$ 2,936,574
Abricots	-	-	128,921	70,604	-
Orge	-	-	-	-	310,870
Boeuf	(138,457)	(347)	(38)	-	-
Carottes	-	466,449	-	-	-
Bovins	6,310,010	11,190,168	37,690,951	356,203	11,119
Mats	-	-	2,157,397	6,809,486	6,500,838
Naïsseurs	-	-	23,815,904	736,740	-
Vaches	5,285,905	986,981	1,660	336	(322)
Poules	-	169	-	-	-
Produits de serre	-	-	712,622	-	-
Oignons	-	-	-	-	4,458,704
Poires	-	258,192	1,460,639	4,928	-
Pommes de terre	13,759,580	1,879,617	1,527,799	19,669,496	4,525,059
Pruneaux	-	472,630	326,295	408	-
Framboises	-	733,115	-	-	-
Betteraves à sucre	-	-	1,243,992	16,731	1,087,438
Cerises sucrées	622,981	51,785	1,328,319	432,119	1,190
Blé	-	-	-	16,843,736	7,206,662
Haricots blancs	-	-	-	1,843,100	3,196,821
Transfères à la C.C.L.	275,000,000	233,117,732	293,580,000	271,523,764	279,695,125
TOTAL	\$300,840,019	\$261,866,142	\$364,110,766	\$318,562,968	\$309,930,078

NOTE: Les remboursements des années précédentes sont inclus dans les montants ci-haut dénotés et peuvent être différents des montants dénotés dans l'état des dépenses.

# SOMMAIRE DES PAIEMENTS DES CINQ DERNIERES ANNEES

## A. DISTRIBUTION DES PAIEMENTS PAR PROVINCE

PROVINCE	1975-76	1976-77	1977-78	1978-79	1979-80
TERRE NEUVE	\$ 39,204	\$ 397	\$ 4,089	\$ 50,213	\$ 9,540
ILE DU PRINCE EDOUARD	5,468,748	106,702	296,093	5,636,735	1,512,217
NOUVELLE ECOSSE	133,842	1,354,054	289,100	275,984	161,489
NOUVEAU BRUNSWICK	4,623,237	143,751	455,986	5,370,119	1,697,598
QUEBEC	2,944,119	3,813,739	1,302,886	5,894,360	6,197,163
ONTARIO	4,190,109	8,372,439	17,061,081	27,980,364	19,400,685
MANITOBA	1,165,813	1,096,882	6,874,895	139,720	646,848
SASKATCHEWAN	2,051,827	1,433,643	12,610,172	338,988	2,435
ALBERTA	4,480,457	5,313,545	26,890,021	676,917	601,757
COLOMBIE BRITANNIQUE	742,663	7,113,258	4,746,351	675,804	5,222
YUKON			92		
TOTAL	\$25,840,019	\$28,748,410	\$70,530,766	\$47,039,204	\$30,234,954

NOTE: Les chiffres dénotés incluent le remboursement des dépenses des années précédentes.

Oignons (1978)

Les producteurs du Québec, de l'Ontario et du Manitoba ont reçu un paiement d'appoint de 0.6¢ la livre pour les oignons jaunes de semence vendus dans les limites admissibles conformément aux termes du décret du Conseil C.P. 1980-524 du 20 février 1980. Le prix prescrit avait été fixé à 4.5¢ la livre, soit à 90% du prix moyen du marché des cinq dernières années, corrigé d'après les variations des coûts de production en espèces. Le prix moyen du marché pour 1978 s'est établi à 3.9¢ la livre. La limite supérieure d'admissibilité dans le cadre du programme de 1977 avait été fixée à 70% des ventes admissibles jusqu'à concurrence de 2,000,000 de livres par producteur. Le 31 mars 1980, aucun paiement n'avait encore été versé.

#### Uignons jaunes de semence (1977)

Des paiements totalisant \$4,458,704.63 sont été accordés à 428 producteurs pour 165,134,754 livres en vertu du décret du Conseil C.P. 1979-816 du 22 mars 1979. Ce montant a été versé en totalité au cours de l'année financière 1979-1980.

#### Haricots blancs (1977)

Les versements effectués sous le régime du décret du Conseil C.P. 1978-3046 du 4 octobre 1978 ont atteint \$40,424.88 et ont été répartis entre 40 producteurs pour 15,084 les cent livres. Le 31 mars 1980, les dépenses totales du programme s'élevaient à \$1,883,524.52 pour 1,900 producteurs et 702,808 les cent livres.

#### PROGRAMMES DE L'ANNÉE EN COURS

#### Betteraves sucrières (1977)

La récolte de betteraves sucrières de 1977 a été désignée en vertu du décret du Conseil C.P. 1979-1355 du 26 avril 1979. On a recommandé l'application d'un prix de \$32.74 la tonne normale (250 kg de sucre), ce qui correspond à 80% du prix moyen du marché des cinq dernières années après indexation des coûts de production en espèces. La moyenne du marché ayant été de \$31.68 la tonne normale en 1977, un paiement d'appoint de \$1.06 la tonne normale a été approuvé. Au cours de la dernière année financière, des paiements de \$1,087,438.01 ont été versés à 1,383 producteurs pour 1,011,837 tonnes.

#### Pommes de terre (1978)

La récolte de pommes de terre de 1978 a été désignée sous le régime du décret du Conseil 1980-88 du 4 janvier 1980. Un prix de \$3.92 les cent livres a été prescrit (95% du prix moyen à la production des cinq dernières années après indexation des coûts de production en espèces). Le prix moyen du marché ayant été de \$3.52 les cent livres en 1978, un paiement d'appoint de \$0.40 les cent livres a été accordé. Le 31 mars 1980, les dépenses totalisaient \$3,017,331.60 pour 1,294 producteurs et 7,543,329 les cent livres. Ces agriculteurs pouvaient demander de l'aide jusqu'à concurrence de 10,000 les cent livres.

#### Haricots blancs (1978)

La récolte de haricots blancs de 1978 a été désignée en vertu du décret du Conseil C.P. 1980-201 du 14 janvier 1980. Le prix prescrit de \$389.55 correspond à 90% du prix moyen du marché des cinq dernières années après indexation des coûts de production en espèces. Comme la moyenne du marché a été de \$320.77 la tonne en 1978, un paiement d'appoint de \$68.78 la tonne a été accordé. A la fin de l'exercice, les paiements totalisaient \$3,156,395.64 (1,629 producteurs et 45,893 tonnes). La production maximale admissible était de 160 tonnes de haricots pour les catégories Canada de l'Est n° 1 à 4.



Pommes de terre (variété tardive) de la Colombie-Britannique (1976)

Même si aucun paiement n'a été versé cette année, on a récupéré un paiement en trop de \$720.00.

Cerises douces (1977)

En vertu de décret du Conseil C.P. 1978-408 en date du 16 février 1978, deux producteurs ont reçu \$1,190.03 pour 42,501 livres de cerises douces, ce qui porte le total des dépenses du programme à \$440,406.48 pour 1,371 producteurs et 15,728,808 livres.

Pommes de terre de l'Est (1977)

Programme provisoire

Des paiements anticipés de \$521,749.10 ont été recouverts cette année auprès de 261 producteurs. Le 31 mars 1980, neuf producteurs à qui on avait avancé \$14,632.30 n'avaient pas encore concilié leurs demandes provisoire et finale. La Couronne a porté l'affaire devant les tribunaux civils pour tenter d'accélérer la récupération du trop-perçu.

Programme final

Une somme de \$2,030,194.89 a été versée à 524 producteurs pour 1,595,062 livres en vertu du décret du Conseil C.P. 1978-3223 du 19 octobre 1978. Les paiements totaux à la fin de 1979-1980 se chiffraient à \$20,963,132.52 pour 3,766 producteurs et 15,712,188 livres.

Blé de l'Est (1977)

Les paiements effectués sous le régime du décret du Conseil C.P. 1979-137 en date du 25 janvier 1979 se sont chiffrés à \$7,206,662.82 (225,420 tonnes) à 5,326 producteurs. Les dépenses totales du programme ont ainsi atteint \$24,050,398.53 (752,282 tonnes) à 16,016 producteurs.

Pommes du Québec (1977)

En vertu du décret du Conseil C.P. 1979-286 du 8 février 1979, des paiements de \$2,949,439.98 ont été consentis à 573 producteurs pour 151,258,473 livres de pommes, ce qui a porté les dépenses totales du programme à \$3,207,407.64 pour 617 producteurs et 164,487,584 livres.

## Soja (1978)

Le prix de soutien du soja livré entre le 1er septembre 1978 et le 31 août 1979, et calculé à un taux de 90% aux termes de la Loi, a été établi à \$224.87 la tonne. Le prix moyen du marché s'élevant à \$280.72 la tonne, aucun paiement d'appoint n'a été nécessaire pour la récolte de 1978.

## Mats (1978)

Le mats produit entre le 1er septembre 1978 et le 31 août 1979 a bénéficié d'un prix de soutien de \$97.63 la tonne. Aucun paiement n'a été versé, le prix moyen du marché s'établissant à \$108.26 la tonne.

Avoine et orge (1978) (vendus en dehors de la zone désignée par la Loi sur la Commission canadienne du blé)

AVOINE: Selon les dispositions de la Loi, le prix prescrit de l'avoine produite en 1978, et écoulée entre le 1er août de la même année et le 31 juillet 1979, a été fixé à \$94.02 la tonne. Le prix moyen du marché se chiffrant à \$103.10 la tonne, aucun paiement n'a été effectué.

ORGE: Aux termes de la Loi, un prix prescrit de \$84.51 la tonne a été établi pour l'orge produite en 1978 et vendue entre le 1er août de la même année et le 31 juillet 1979. Aucun paiement n'a été autorisé, le prix moyen du marché s'élevant à \$96.45 la tonne.

## PRODUITS DESIGNÉS

Programmes des années précédentes

## Vaches de catégorie D (1974)

Il n'y a eu aucun paiement dans le cadre de ce programme, mais on a récupéré les \$322.47 qui avaient été investis l'an dernier.

## Pommes (1975)

Deux comptes à recevoir et un compte à payer ont été acquittés cette année de sorte qu'un montant net de \$12,866.76 a été crédité au budget des dépenses des années précédentes.



Orge (1977) (produite en dehors de la zone désignée par la Loi sur la Commission canadienne du blé)

Un montant de \$310,871.90 a été versé à 900 producteurs pour 42,295 tonnes.

Les paiements totaux effectués pour les produits dénommés (programmes des années antérieures) s'élevaient à \$6,822,830.69.

## ANNÉE EN COURS

Bovins d'abatage (1979) (bouvillons et génisses de catégories A, B et C vendus pour l'abatage)

Pour la campagne 1979 (1er janvier au 31 décembre 1979), le prix des bovins d'abatage, calculé au taux minimum prescrit par la Loi, soit 90% du prix moyen du marché des cinq dernières années et indexé en fonction de l'augmentation des coûts de production en espèces, s'est établi à \$65.16 les cent livres. La moyenne pondérée du marché s'établissant à \$76.44 les cent livres pour l'année, aucun paiement d'appoint n'a été effectué et aucun programme de soutien n'a été mis en oeuvre.

## Porcs (1979)

Le prix du porc pour la période du 1er avril 1979 au 31 mars 1980, calculé à 90% du prix moyen du marché des cinq dernières années et corrigé selon les variations des coûts de production en espèces, a été fixé à \$61.05 les cent livres (porcs d'indice 100). Comme la moyenne pondérée du marché s'est chiffrée à \$58.59 les cent livres pour l'année, un paiement d'appoint de \$2.46 les cent livres a été effectué. La production maximale admissible était de 5,000 porcs par éleveur. Aucun paiement n'avait encore été versé le 31 mars 1980.

## Moutons (1979)

Aux termes de la Loi, le prix prescrit pour les "agneaux de catégorie bonne" vendus entre le 1er janvier et le 31 décembre 1979 a été établi à \$54.16 les cent livres. La moyenne pondérée du marché ayant été de \$83.27 les cent livres, aucun paiement d'appoint n'a été versé.

## Lait et crème de transformation (1979)

Le prix prescrit sous le régime de la Loi pour le lait et la crème de transformation produits au cours de l'année se terminant le 31 mars 1980, après indexation en fonction de la hausse des coûts de production en espèces, a été fixé à \$13.29 les cent livres. Ce montant correspond à 158% du prix moyen du marché des cinq dernières années. Les paiements effectués à la Commission canadienne du lait en vertu du décret du Conseil C.P. 1979-1647 du 13 juin 1979 se sont élevés à \$248,153,018. Un montant supplémentaire de \$31,542,107 a été viré au compte de la Commission canadienne du lait en vertu du programme de l'an dernier, ce qui porte ainsi les paiements totaux à \$279,695,125 pour l'année financière.

Président: W.D. Lea, Edmonton (Alberta)

Membres:

P. Couture, Montréal (Québec)  
P. Epp, Leamington (Ontario)  
H. Fuller, Wolfville (Nouvelle-Écosse)  
L. Hehn, Markinch (Saskatchewan)  
J. Mayne, Kensington (Île-du-Prince-Édouard)  
R. Reynolds, Delta (Colombie-Britannique)  
D. Van Breda, Blenheim (Ontario)  
G. Vercaigne, Brandon (Manitoba)

A la fin de l'année, le poste de représentant du Nouveau-Brunswick au sein du Comité était vacant.

## PROGRAMMES DE 1979-1980:

### PRODUITS DÉNOMMÉS

Suite des programmes de soutien antérieurs:

#### Bovins d'abatage (1974)

Aucun paiement n'a été effectué en vertu de ce programme; toutefois, un montant de \$169.18 a été récupéré à la suite du règlement d'une réclamation en souffrance et crédit au budget des dépenses de l'année précédente.

#### Bovins d'abatage (1976) (buvillons et génisses de catégories A, B et C vendus pour l'abatage)

Des paiements supplémentaires s'élevant à \$11,288.62 ont été versés à six (6) éleveurs dont les sujets pesaient au total 4,395 les cent livres; ceci porte à \$46,473,908.41 la somme totale versée jusqu'ici à 27,051 producteurs pour 17,513,811 les cent livres, en vertu du décret C.P. 1977-112 en date du 25 janvier 1977.

#### Mats (1976)

Des paiements d'appoint totalisant \$32,896.50 ont été accordés à 81 producteurs pour 548,275 boisseaux de mats. Au 31 mars 1980, \$3,736,906.07 avait été versé à 9,981 producteurs pour 62,268,537 boisseaux.

#### Mats (1977)

Au cours de 1979-1980, les paiements accordés sous le régime de ce programme se sont montés à \$6,467,942.85 et ont été répartis entre 5,202 producteurs pour 1,173,860 tonnes du produit concerné. Le total est ainsi monté à \$11,730,816.22 pour 9,944 producteurs et 2,129,013 tonnes de mats (23,814,983 boisseaux).

Composition de l'Office

Au cours de l'année financière 1979-1980, M. G.I. Trant est demeuré à la présidence de l'Office, mais M. E.J. LeRoux, vice-président, a remis sa démission le 16 octobre 1979 pour se consacrer à des tâches plus pressantes. Ses services au sein de l'Office ont été hautement appréciés. En vertu du décret du conseil C.P. 1979-2763, M. M.J. Heney a été nommé vice-président et M. G.J. Lavoie, troisième membre de l'Office.

A la fin de l'année, l'Office comprenait les personnes suivantes:

Président - M. G.I. Trant, sous-ministre adjoint principal (politique et planification)

Vice-président - M. M.J. Heney, sous-ministre adjoint, Direction générale de la commercialisation

Membre - M. G.J. Lavoie, directeur, Relations fédérales-provinciales.

FAITS SAILLANTS

Des paiements d'appoint totalisant \$30,798,120 (ce qui ne comprend pas les paiements versés dans le cadre du programme laitier) ont été accordés à 17,388 producteurs en 1979-1980, comparativement à \$47,068,771 et 28,117 producteurs l'an dernier. Le montant moyen des chèques s'est chiffré à \$1,771.23 contre \$1,738.84 l'an dernier.

L'orge et le maïs ont fait l'objet de programmes touchant les produits dénommés alors que les producteurs de pommes (Québec), d'oignons, de pommes de terre, de betteraves sucrières, de blé blanc tendre et de haricots blancs ont bénéficié de paiements pour les produits désignés.

Au cours de l'année se terminant le 31 mars 1980, un montant supplémentaire de \$279,695,125.92 a été versé à la Commission canadienne du lait dans le cadre des programmes de soutien du lait et de la crème de transformation.

Certaines irrégularités dans les demandes de producteurs d'oignons et de pommes de terre ont poussé la Gendarmerie Royale du Canada à mener une enquête dans la région de Saint-Jean, au sud de Montréal. Trente-neuf accusations de fraude ont été portées contre des producteurs de l'endroit. L'Office a porté la cause devant les tribunaux et devrait parvenir à récupérer un montant de \$412,108.57.

COMITÉ CONSULTATIF

Les membres du Comité consultatif, nommés par le ministre de l'Agriculture en vertu de l'article 5 de la Loi, se sont réunis à trois reprises au cours de l'année pour étudier des questions relatives à la stabilisation et faire part de leurs vues au Ministre et à l'Office. Le 31 mars 1980, le Comité se composait des personnes suivantes:



L'OFFICE DE STABILISATION DES PRIX AGRICOLES

RAPPORT ANNUEL 1979-80

PRESENTE

AU MINISTRE DE L'AGRICULTURE

L'HONORABLE EUGENE F. WHELAN, P.C., M.P.

Membres de l'Office:

G.I. Trant, président  
M.J. Heney, vice-président  
G.J. Lavoie, Membre

Gestionnaire-secrétaire:

A.E. Proulx







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# **RAPPORT ANNUEL** de l'Office de stabilisation des prix agricoles

1980

1979











BINDING SECT. MAR 15 1982



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